

DWSD Bond Documents	DWSD Bond Series	CUSIP	Class	Allowed Amount of DWSD Bond Claims in Class	Impairment
2006 Bond Resolution Sale Order of Finance Director of the City of Detroit, Series 2006(C), dated August 4, 2006		251237P49	Class 1A-318	\$8,915,000.00	Impaired
		251237P56	Class 1A-319	\$9,150,000.00	Impaired
Sewage Bond Ordinance Sewage Indenture Resolution of the City Council adopted February 15, 2006 Sale Order of Finance Director of the City of Detroit dated November 29, 2006	Series 2006-D	251237W66	Class 1A-320	\$288,780,000.00	Unimpaired
Sewage Bond Ordinance Sewage Indenture Resolution of the City Council adopted July 19, 2011 Sale Order of the Finance Director of the City of Detroit dated June 20, 2012	Series 2012-A	251250AC0	Class 1A-321	\$8,880,000.00	Impaired
		251250AE6	Class 1A-322	\$9,750,000.00	Impaired
		251250AS5	Class 1A-323	\$50,000,000.00	Unimpaired
		251250AA4	Class 1A-324	\$5,820,000.00	Unimpaired
		251250AB2	Class 1A-325	\$6,005,000.00	Unimpaired
		251250AD8	Class 1A-326	\$6,430,000.00	Impaired
		251250AF3	Class 1A-327	\$19,930,000.00	Impaired
		251250AG1	Class 1A-328	\$13,925,000.00	Impaired
		251250AH9	Class 1A-329	\$9,845,000.00	Impaired
		251250AJ5	Class 1A-330	\$14,860,000.00	Impaired
		251250AK2	Class 1A-331	\$22,275,000.00	Impaired
		251250AN6	Class 1A-332	\$13,170,000.00	Impaired
		251250AP1	Class 1A-333	\$9,890,000.00	Impaired
		251250AQ9	Class 1A-334	\$120,265,000.00	Impaired
		251250AR7	Class 1A-335	\$292,865,000.00	Unimpaired
		251250AL0	Class 1A-336	\$23,630,000.00	Impaired
		251250AM8	Class 1A-337	\$32,240,000.00	Impaired

**EXHIBIT I.A.117**

**SCHEDULE OF DWSD REVOLVING SEWER BONDS  
DOCUMENTS & RELATED DWSD REVOLVING SEWER BONDS**

**SCHEDULE OF (I) DWSD REVOLVING SEWER BOND DOCUMENTS, (II) RELATED DWSD REVOLVING SEWER BONDS, (III) CLASSES OF DWSD REVOLVING SEWER BOND CLAIMS AND (IV) ALLOWED AMOUNTS OF DWSD REVOLVING SEWER BOND CLAIMS**

DWSD Revolving Sewer Bonds Documents	Series of DWSD Revolving Sewer Bonds	Class	Allowed Amount of DWSD Revolving Sewer Bonds Claims in Class
Ordinance No. 18-01 adopted October 18, 2001 (" <u>Sewage Bond Ordinance</u> ") <sup>1</sup>  Trust Indenture dated as of June 1, 2012 among the City of Detroit (" <u>City</u> "), Detroit Water and Sewage Department and U.S. Bank National Association, as trustee (" <u>Sewage Indenture</u> ")  Bond Authorizing Resolution adopted September 9, 1992  Supplemental Agreement dated September 24, 1992, among City, Michigan Bond Authority (" <u>Authority</u> ") and the State of Michigan acting through the Department of Natural Resources	Series 1992-B-SRF	Class 1B-1	\$115,000.00
Sewage Bond Ordinance  Sewage Indenture  Bond Authorizing Resolution adopted September 30, 1993  Supplemental Agreement regarding \$6,603,996 Sewage Disposal System Revenue Bond Series 1993-B -SRF, among the City, Authority and DEQ	Series 1993-B-SRF	Class 1B-2	\$775,000.00
Sewage Bond Ordinance  Sewage Indenture  Bond Authorizing Resolution adopted July 30, 1997  Supplemental Agreement dated September 30, 1997, among City, the Authority and the State of Michigan acting through the Department of Environmental Quality (" <u>DEQ</u> ")	Series 1997-B-SRF	Class 1B-3	\$1,870,000.00

<sup>1</sup> Ordinance No. 18-01 amended and restated Ordinance No. 27-86 adopted on December 9, 1986, as amended.

DWSD Revolving Sewer Bonds Documents	Series of DWSD Revolving Sewer Bonds	Class	Allowed Amount of DWSD Revolving Sewer Bonds Claims in Class
Sewage Bond Ordinance Sewage Indenture Bond Authorizing Resolution adopted May 12, 1999 Supplemental Agreement regarding \$21,475,000 City Sewage Disposal System Revenue Bond, Series 1999-SRF1, dated June 24, 1999, among City, Authority and DEQ	Series 1999-SRF-1	Class 1B-4	\$8,750,000.00
Sewage Bond Ordinance Sewage Indenture Bond Authorizing Resolution adopted August 4, 1999 (" <u>1999 SRF Resolution</u> ") Supplemental Agreement regarding \$46,000,000 SRF-2, \$31,030,000 SRF-3, \$40,655,000 SRF-4 dated September 30, 1999 (" <u>1999 SRF Supplemental Agreement</u> "), among City, Authority and DEQ	Series 1999-SRF-2	Class 1B-5	\$25,860,000.00
Sewage Bond Ordinance Sewage Indenture 1999 SRF Resolution 1999 SRF Supplemental Agreement	Series 1999-SRF-3	Class 1B-6	\$14,295,000.00
Sewage Bond Ordinance Sewage Indenture 1999 SRF Resolution 1999 SRF Supplemental Agreement	Series 1999-SRF-4	Class 1B-7	\$18,725,000.00
Sewage Bond Ordinance Sewage Indenture Bond Authorizing Resolution adopted February 9, 2000 Supplemental Agreement regarding Sewage Disposal System Revenue Bond (SRF Junior Lien), Series 2000-SRF1, dated March 30, 2000, among City, Authority and DEQ	Series 2000-SRF-1	Class 1B-8	\$21,947,995.00





DWSD Revolving Sewer Bonds Documents	Series of DWSD Revolving Sewer Bonds	Class	Allowed Amount of DWSD Revolving Sewer Bonds Claims in Class
Sewage Bond Ordinance Sewage Indenture Bond Authorizing Resolution adopted June 5, 2002 Supplemental Agreement regarding Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2002-SRF2, dated June 27, 2002 among City, Authority and DEQ	Series 2002-SRF-2	Class 1B-13	\$865,369.00
Sewage Bond Ordinance Sewage Indenture Bond Authorizing Resolution adopted November 13, 2002 Supplemental Agreement regarding Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2002-SRF3, dated December 19, 2002 among City, Authority and DEQ	Series 2002-SRF-3	Class 1B-14	\$19,189,466.00
Sewage Bond Ordinance Sewage Indenture Bond Authorizing Resolution adopted May 14, 2003 Supplemental Agreement regarding City of Detroit Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2003-SRF1, dated June 26, 2003 among City, Authority and DEQ	Series 2003-SRF-1	Class 1B-15	\$34,215,000.00
Sewage Bond Ordinance Sewage Indenture Bond Authorizing Resolution adopted July 9, 2003 Supplemental Agreement regarding City of Detroit Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2003-SRF2, dated September 25, 2003 among City, Authority and DEQ	Series 2003-SRF-2	Class 1B-16	\$16,390,370.00



DWSD Revolving Sewer Bonds Documents	Series of DWSD Revolving Sewer Bonds	Class	Allowed Amount of DWSD Revolving Sewer Bonds Claims in Class
Sewage Bond Ordinance Sewage Indenture Bond Authorizing Resolution adopted November 5, 2008 Supplemental Agreement regarding City of Detroit Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2009-SRF1, dated April 17, 2009 among City, Authority and DEQ	Series 2009-SRF-1	Class 1B-21	\$9,806,301.00
Sewage Bond Ordinance Sewage Indenture Bond Authorizing Resolution adopted September 29, 2009 Supplemental Agreement regarding Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2010-SRF1, dated January 22, 2010 among City, Authority and DEQ	Series 2010-SRF-1	Class 1B-22	\$3,358,917.00
Sewage Bond Ordinance Sewage Indenture Bond Authorizing Resolution adopted December 13, 2011 Supplemental Agreement regarding City of Detroit Sewage Disposal System SRF Junior Lien Revenue Bonds, Series 2012-SRF1, dated August 30, 2012 among City, Authority and DEQ	Series 2012-SRF	Class 1B-23	\$4,302,413.00

**EXHIBIT I.A.120**

**SCHEDULE OF DWSD REVOLVING WATER BOND  
DOCUMENTS & RELATED DWSD REVOLVING WATER BONDS**

**SCHEDULE OF (I) DWSD REVOLVING WATER BOND DOCUMENTS, (II) RELATED DWSD REVOLVING WATER BONDS, (III) CLASSES OF DWSD REVOLVING WATER BOND CLAIMS AND (IV) ALLOWED AMOUNTS OF DWSD REVOLVING WATER BOND CLAIMS**

DWSD Revolving Water Bonds Documents	Series of DWSD Revolving Water Bonds	Class	Allowed Amount of DWSD Revolving Water Bonds Claims in Class
Ordinance No. 01-05 adopted January 26, 2005 (" <u>Water Bond Ordinance</u> ") <sup>1</sup>  Trust Indenture dated as of February 1, 2013 among the City of Detroit (" <u>City</u> "), Detroit Water and Sewerage Department and U.S. Bank National Association, as trustee (" <u>Water Indenture</u> ")  Bond Authorizing Resolution adopted April 29, 2005 (" <u>2005 SRF Resolution</u> ")  Supplemental Agreement dated as of September 22, 2005 among City, Michigan Municipal Bond Authority (" <u>Authority</u> ") and Michigan Department of Environmental Quality (" <u>DEQ</u> ")	Series 2005-SRF-1	Class 1C-1	\$9,960,164.00
Water Bond Ordinance  Water Indenture  2005 SRF Resolution  Supplemental Agreement regarding the Water Supply System SRF Junior Lien Revenue Bond, Series 2005-SRF2, dated September 22, 2005 among City, Authority and DEQ	Series 2005-SRF-2	Class 1C-2	\$6,241,730.00
Water Bond Ordinance  Water Indenture  Bond Authorizing Resolution adopted February 15, 2006  Supplemental Agreement regarding the Water Supply System SRF Junior Lien Revenue Bond, Series 2006-SRF1, dated September 21, 2006 among City, Authority and DEQ	Series 2006-SRF-1	Class 1C-3	\$3,715,926.00

<sup>1</sup> Ordinance No. 0-05 amends and restates Ordinance No. 30-02 adopted November 27, 2002, which amended and restated Ordinance No. 06-01 adopted October 18, 2001, which amended and restated Ordinance No. 32-85, as amended.

DWSD Revolving Water Bonds Documents	Series of DWSD Revolving Water Bonds	Class	Allowed Amount of DWSD Revolving Water Bonds Claims in Class
Water Bond Ordinance Water Indenture Bond Authorizing Resolution and Bond Ordinance, adopted July 15, 2008 Supplemental Agreement regarding Water Supply System SRF Junior Lien Revenue Bonds, Series 2008-SRF1, dated September 29, 2008 among City, Authority and DEQ	Series 2008-SRF-1	Class 1C-4	\$1,535,941.00

**EXHIBIT I.A.159**

SCHEDULE OF HUD INSTALLMENT NOTE  
DOCUMENTS & RELATED HUD INSTALLMENT NOTES

<b>HUD Installment Note Documents</b>  (Identified by note number. Ancillary instruments and agreements related thereto are not separately identified)	<b>HUD Installment Notes</b>	<b>Estimated Allowed Amount as of Petition Date</b>  (The estimated allowed amount is the sum of all advances and conversion date advances under the HUD Installment Notes identified in this schedule, less principal amounts paid through the Petition Date, plus interest due on principal amounts outstanding. The Estimated Aggregate HUD Installment Note Amount is the sum of the estimated allowed amount for all the HUD Installment Notes identified in this schedule)
City Note No. B-94-MC-26-0006-A	Garfield Project Note *	\$764,442
City Note No. B-94-MC-26-0006-D	Stuberstone Project Note*	\$122,346
City Note No. B-97-MC-26-0006	Ferry Street Project Note*	\$1,928,285
City Note No. B-98-MC-26-0006-A	New Amsterdam Project Note*	\$8,345,728
City Note No. B-98-MC-26-0006-B	Vernor Lawndale Project Note*	\$1,844,974
City Note No. B-02-MC-26-0006	Mexicantown Welcome Center Project Note*	\$3,689,487
City Note No. B-03-MC-26-0006	Garfield II Note 1 *	\$6,570,458
City Note No. B-03-MC-26-0006	Garfield II Note 2*	\$2,111,028
City Note No. B-03-MC-26-0006	Garfield II Note 3 °	\$6,717,760
City Note No. B-03-MC-26-0006	Garfield II Note 4°	\$1,602,954
City Note No. B-05-MC-26-0006	Woodward Garden Project 1 Note*	\$7,202,570
City Note No. B-05-MC-26-0006	Woodward Garden Project 2 Note	\$6,315,019
City Note No. B-05-MC-26-0006	Woodward Garden Project 3 Note°	\$5,770,733
City Note No. B-05-MC-26-0006-A	Book Cadillac Project Note*	\$7,486,218

\* HUD Installment Note has a fixed interest rate. Estimated allowed amount represents the aggregate of outstanding principal and fixed interest payments set forth in the amortization schedule for the HUD Installment Note.

° HUD Installment Note has a variable interest rate. Estimated allowed amount represents the aggregate of outstanding principal and an estimate of the variable interest payments at the rate set forth in the HUD Installment Note.



City Note No. B-05-MC-26-0006-A	Book Cadillac Project Note II*	\$10,938,812
City Note No. B-05-MC-26-0006-B	Fort Shelby Project Note*	\$18,664,190

**EXHIBIT I.A.168**

INTEREST RATE RESET CHART

## DWSD Debt Analysis - Interest Rate Reset

Series Name	CUSIP	Lien	Insurer	Final Maturity	Total Principal	Coupon	Call Date	New Interest Rate
<b>Sewer Bonds</b>								
Sewer1998A	251237S87	Senior	NPFG	7/1/2014	3,110,000	5.50%	N/A	Unimpaired
Sewer1998A	251237S95	Senior	NPFG	7/1/2015	3,225,000	5.50%	N/A	Unimpaired
Sewer1998A	251237T29	Senior	NPFG	7/1/2016	3,540,000	5.50%	N/A	0.87%
Sewer1998A	251237T37	Senior	NPFG	7/1/2017	3,660,000	5.50%	N/A	1.20%
Sewer1998A	251237T45	Senior	NPFG	7/1/2018	3,885,000	5.25%	7/1/2017	1.54%
Sewer1998A	251237T52	Senior	NPFG	7/1/2019	4,095,000	5.25%	7/1/2017	1.93%
Sewer1998A	251237T60	Senior	NPFG	7/1/2020	7,415,000	5.25%	7/1/2017	2.37%
Sewer1998A	251237T78	Senior	NPFG	7/1/2021	7,745,000	5.25%	7/1/2017	2.81%
Sewer1998A	251237T86	Senior	NPFG	7/1/2022	12,585,000	5.25%	7/1/2017	3.17%
Sewer1998A	251237T94	Senior	NPFG	7/1/2023	13,350,000	5.25%	7/1/2017	3.47%
					<b>62,610,000</b>			
Sewer1998B	251237U92	Senior	NPFG	7/1/2014	3,125,000	5.50%	N/A	Unimpaired
Sewer1998B	251237V26	Senior	NPFG	7/1/2015	3,240,000	5.50%	N/A	Unimpaired
Sewer1998B	251237V34	Senior	NPFG	7/1/2016	3,455,000	5.50%	N/A	0.87%
Sewer1998B	251237V42	Senior	NPFG	7/1/2017	3,575,000	5.50%	N/A	1.20%
Sewer1998B	251237V59	Senior	NPFG	7/1/2018	3,895,000	5.25%	7/1/2017	1.54%
Sewer1998B	251237V67	Senior	NPFG	7/1/2019	4,015,000	5.25%	7/1/2017	1.93%
Sewer1998B	251237V75	Senior	NPFG	7/1/2020	7,330,000	5.25%	7/1/2017	2.37%
Sewer1998B	251237V83	Senior	NPFG	7/1/2021	7,665,000	5.25%	7/1/2017	2.81%
Sewer1998B	251237V91	Senior	NPFG	7/1/2022	12,600,000	5.25%	7/1/2017	3.17%
Sewer1998B	251237W25	Senior	NPFG	7/1/2023	13,265,000	5.25%	7/1/2017	3.47%
					<b>62,165,000</b>			
Sewer2001C1 (Ins)	251237G3	Senior	Assured Guaranty	7/1/2014	575,000	5.25%	N/A	Unimpaired
Sewer2001C1 (Ins)	251237H1	Senior	Assured Guaranty	7/1/2015	600,000	5.25%	N/A	Unimpaired
Sewer2001C1 (Ins)	251237J7	Senior	Assured Guaranty	7/1/2016	625,000	5.25%	N/A	0.87%
Sewer2001C1 (Ins)	251237K4	Senior	Assured Guaranty	7/1/2017	655,000	5.25%	N/A	1.20%
Sewer2001C1 (Ins)	251237L2	Senior	Assured Guaranty	7/1/2018	690,000	5.25%	N/A	1.54%
Sewer2001C1 (Ins)	251237M0	Senior	Assured Guaranty	7/1/2019	720,000	5.25%	N/A	1.93%
Sewer2001C1 (Ins)	251237P3	Senior	Assured Guaranty	7/1/2027	110,510,000	7.00%	7/1/2019	4.05%
					<b>114,375,000</b>			
Sewer2001C1 (Unins)	251237N8	Senior	N/A	7/1/2024	38,000,000	6.50%	7/1/2019	3.44%
					<b>38,000,000</b>			
Sewer2001C2	2512374G5	Senior	NPFG / BHAC	7/1/2014	310,000	4.00%	N/A	Unimpaired
Sewer2001C2	2512374H3	Senior	NPFG / BHAC	7/1/2015	325,000	4.00%	N/A	Unimpaired
Sewer2001C2	2512374J9	Senior	NPFG / BHAC	7/1/2016	345,000	4.00%	N/A	Unimpaired
Sewer2001C2	2512374K6	Senior	NPFG / BHAC	7/1/2017	365,000	4.00%	N/A	Unimpaired
Sewer2001C2	2512374L4	Senior	NPFG / BHAC	7/1/2018	380,000	4.00%	N/A	Unimpaired
Sewer2001C2	2512374M2	Senior	NPFG / BHAC	7/1/2019	400,000	4.00%	7/1/2018	Unimpaired
Sewer2001C2	2512374N0	Senior	NPFG / BHAC	7/1/2027	4,090,000	4.50%	7/1/2018	Unimpaired
Sewer2001C2	2512374P5	Senior	NPFG / BHAC	7/1/2028	21,600,000	5.25%	7/1/2018	4.42%
Sewer2001C2	2512374Q3	Senior	NPFG / BHAC	7/1/2029	93,540,000	5.25%	7/1/2018	4.49%
					<b>121,355,000</b>			

## DWSD Debt Analysis - Interest Rate Reset

Series Name	CUSIP	Lien	Insurer	Final Maturity	Total Principal	Coupon	Call Date	New Interest Rate
Sewer2003A (Call)	251237K77	Senior	Assured Guaranty	7/1/2014	3,225,000	5.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237YM9	Senior	Assured Guaranty	7/1/2015	275,000	3.65%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237K85	Senior	Assured Guaranty	7/1/2015	3,325,000	5.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237YQ0	Senior	Assured Guaranty	7/1/2016	190,000	3.70%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237Q89	Senior	Assured Guaranty	7/1/2016	10,000	5.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237YT4	Senior	Assured Guaranty	7/1/2017	250,000	3.80%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237Q97	Senior	Assured Guaranty	7/1/2017	3,200,000	5.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237YW7	Senior	Assured Guaranty	7/1/2018	535,000	4.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237R21	Senior	Assured Guaranty	7/1/2018	180,000	5.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237YZ0	Senior	Assured Guaranty	7/1/2019	300,000	4.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237ZB2	Senior	Assured Guaranty	7/1/2020	50,000	4.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237ZD8	Senior	Assured Guaranty	7/1/2021	4,795,000	5.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237ZE6	Senior	Assured Guaranty	7/1/2022	25,000	4.25%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237ZF3	Senior	Assured Guaranty	7/1/2022	5,440,000	5.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237ZG1	Senior	Assured Guaranty	7/1/2023	1,000,000	4.30%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237ZH9	Senior	Assured Guaranty	7/1/2023	7,935,000	5.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237ZJ5	Senior	Assured Guaranty	7/1/2024	18,215,000	5.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237Y72	Senior	Assured Guaranty	7/1/2025	13,210,000	5.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237Y80	Senior	Assured Guaranty	7/1/2026	9,005,000	5.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237Y98	Senior	Assured Guaranty	7/1/2028	19,485,000	5.00%	7/1/2013	Unimpaired
Sewer2003A (Call)	251237Z22	Senior	Assured Guaranty	7/1/2032	38,290,000	5.00%	7/1/2013	Unimpaired
					<b>128,940,000</b>			
Sewer2003A (Not Call)	251237YK3	Senior	Assured Guaranty	7/1/2014	3,815,000	3.50%	N/A	Unimpaired
Sewer2003A (Not Call)	251237YN7	Senior	Assured Guaranty	7/1/2015	11,880,000	5.50%	N/A	Unimpaired
Sewer2003A (Not Call)	251237YR8	Senior	Assured Guaranty	7/1/2016	12,535,000	5.50%	N/A	0.87%
Sewer2003A (Not Call)	251237YU1	Senior	Assured Guaranty	7/1/2017	13,215,000	5.50%	N/A	1.20%
Sewer2003A (Not Call)	251237YX5	Senior	Assured Guaranty	7/1/2018	13,950,000	5.50%	N/A	1.54%
					<b>55,395,000</b>			
Sewer2003B	2512376Q1	Senior	Assured Guaranty	7/1/2033	150,000,000	7.50%	7/1/2019	4.84%
					<b>150,000,000</b>			
Sewer2004A	251237B69	Senior	Assured Guaranty	7/1/2014	7,310,000	5.00%	N/A	Unimpaired
Sewer2004A	251237B77	Senior	Assured Guaranty	7/1/2019	14,830,000	5.25%	N/A	1.93%
Sewer2004A	251237B85	Senior	Assured Guaranty	7/1/2020	15,605,000	5.25%	N/A	2.37%
Sewer2004A	251237B93	Senior	Assured Guaranty	7/1/2021	5,525,000	5.25%	N/A	2.81%
Sewer2004A	251237C27	Senior	Assured Guaranty	7/1/2022	5,545,000	5.25%	N/A	3.17%
Sewer2004A	251237C35	Senior	Assured Guaranty	7/1/2023	5,835,000	5.25%	N/A	3.47%
Sewer2004A	251237C43	Senior	Assured Guaranty	7/1/2024	6,145,000	5.25%	N/A	3.68%
					<b>60,795,000</b>			
Sewer2006C	251237P31	Senior	NPFG	7/1/2016	8,495,000	5.25%	N/A	0.87%
Sewer2006C	251237P49	Senior	NPFG	7/1/2017	8,915,000	5.00%	7/1/2016	1.20%
Sewer2006C	251237P56	Senior	NPFG	7/1/2018	9,150,000	5.00%	7/1/2016	1.54%
					<b>26,560,000</b>			

## DWSD Debt Analysis - Interest Rate Reset

Series Name	CUSIP	Lien	Insurer	Final Maturity	Total Principal	Coupon	Call Date	New Interest Rate
Sewer2012A (Ins)	251250AC0	Senior	Assured Guaranty	7/1/2016	8,880,000	5.00%	N/A	0.87%
Sewer2012A (Ins)	251250AE6	Senior	Assured Guaranty	7/1/2018	9,750,000	5.00%	N/A	1.54%
Sewer2012A (Ins)	251250AS5	Senior	Assured Guaranty	7/1/2039	50,000,000	5.00%	7/1/2022	Unimpaired
					<b>68,630,000</b>			
Sewer2012A (Unins - 22 Call)	251250AA4	Senior	N/A	7/1/2014	5,820,000	5.00%	N/A	Unimpaired
Sewer2012A (Unins - 22 Call)	251250AB2	Senior	N/A	7/1/2015	6,005,000	5.00%	N/A	Unimpaired
Sewer2012A (Unins - 22 Call)	251250AD8	Senior	N/A	7/1/2017	6,430,000	5.00%	N/A	1.20%
Sewer2012A (Unins - 22 Call)	251250AF3	Senior	N/A	7/1/2019	19,930,000	5.00%	N/A	1.93%
Sewer2012A (Unins - 22 Call)	251250AG1	Senior	N/A	7/1/2020	13,925,000	5.00%	N/A	2.37%
Sewer2012A (Unins - 22 Call)	251250AH9	Senior	N/A	7/1/2021	9,845,000	5.00%	N/A	2.81%
Sewer2012A (Unins - 22 Call)	251250AJ5	Senior	N/A	7/1/2022	14,860,000	5.00%	N/A	3.17%
Sewer2012A (Unins - 22 Call)	251250AK2	Senior	N/A	7/1/2023	22,275,000	5.00%	7/1/2022	3.47%
Sewer2012A (Unins - 22 Call)	251250AN6	Senior	N/A	7/1/2026	13,170,000	5.25%	7/1/2022	4.08%
Sewer2012A (Unins - 22 Call)	251250AP1	Senior	N/A	7/1/2027	9,890,000	5.25%	7/1/2022	4.24%
Sewer2012A (Unins - 22 Call)	251250AQ9	Senior	N/A	7/1/2032	120,265,000	5.00%	7/1/2022	4.72%
Sewer2012A (Unins - 22 Call)	251250AR7	Senior	N/A	7/1/2039	292,865,000	5.25%	7/1/2022	Unimpaired
					<b>535,280,000</b>			
Sewer2012A (Unins - 17 Call)	251250AL0	Senior	N/A	7/1/2024	23,630,000	5.50%	7/1/2017	3.68%
Sewer2012A (Unins - 17 Call)	251250AM8	Senior	N/A	7/1/2025	32,240,000	5.50%	7/1/2017	3.88%
					<b>55,870,000</b>			
Sewer2001B	251237WV1	Second	NPFG	7/1/2029	110,550,000	5.50%	N/A	4.49%
					<b>110,550,000</b>			
Sewer2001E	2512374R1	Second	FGIC / BHAC	7/1/2031	136,150,000	5.75%	7/1/2018	5.01%
					<b>136,150,000</b>			
Sewer2005A	251237E41	Second	NPFG	7/1/2014	625,000	3.60%	N/A	Unimpaired
Sewer2005A	251237E58	Second	NPFG	7/1/2015	490,000	3.70%	N/A	Unimpaired
Sewer2005A	251237E66	Second	NPFG	7/1/2016	510,000	3.75%	7/1/2015	Unimpaired
Sewer2005A	251237E74	Second	NPFG	7/1/2017	545,000	4.00%	7/1/2015	Unimpaired
Sewer2005A	251237E82	Second	NPFG	7/1/2018	555,000	4.00%	7/1/2015	Unimpaired
Sewer2005A	251237E90	Second	NPFG	7/1/2019	830,000	4.00%	7/1/2015	Unimpaired
Sewer2005A	251237F24	Second	NPFG	7/1/2020	860,000	4.00%	7/1/2015	Unimpaired
Sewer2005A	251237F32	Second	NPFG	7/1/2021	905,000	4.10%	7/1/2015	Unimpaired
Sewer2005A	251237F40	Second	NPFG	7/1/2022	925,000	4.13%	7/1/2015	Unimpaired
Sewer2005A	251237F57	Second	NPFG	7/1/2023	970,000	4.25%	7/1/2015	Unimpaired
Sewer2005A	251237F65	Second	NPFG	7/1/2024	490,000	4.25%	7/1/2015	Unimpaired
Sewer2005A	251237Z55	Second	NPFG	7/1/2028	19,415,000	5.00%	7/1/2015	Unimpaired
Sewer2005A	251237Z63	Second	NPFG	7/1/2033	24,820,000	5.13%	7/1/2015	Unimpaired
Sewer2005A	251237F99	Second	NPFG	7/1/2035	138,945,000	5.00%	7/1/2015	Unimpaired
Sewer2005A	251237G23	Second	NPFG	7/1/2035	47,000,000	4.50%	7/1/2015	Unimpaired
					<b>237,885,000</b>			

## DWSD Debt Analysis - Interest Rate Reset

Series Name	CUSIP	Lien	Insurer	Final Maturity	Total Principal	Coupon	Call Date	New Interest Rate
Sewer2005B	251237G64	Second	NPFG	7/1/2014	7,775,000	5.00%	N/A	Unimpaired
Sewer2005B	251237G72	Second	NPFG	7/1/2015	8,010,000	5.00%	N/A	Unimpaired
Sewer2005B	251237G80	Second	NPFG	7/1/2021	10,420,000	5.50%	N/A	3.12%
Sewer2005B	251237G98	Second	NPFG	7/1/2022	10,990,000	5.50%	N/A	3.48%
					<b>37,195,000</b>			
Sewer2005C	251237J20	Second	NPFG	7/1/2014	4,140,000	5.00%	N/A	Unimpaired
Sewer2005C	251237J38	Second	NPFG	7/1/2015	4,345,000	5.00%	N/A	Unimpaired
Sewer2005C	251237J46	Second	NPFG	7/1/2016	4,570,000	5.00%	7/1/2015	Unimpaired
Sewer2005C	251237J53	Second	NPFG	7/1/2017	4,795,000	5.00%	7/1/2015	Unimpaired
Sewer2005C	251237J61	Second	NPFG	7/1/2018	5,030,000	5.00%	7/1/2015	Unimpaired
Sewer2005C	251237J79	Second	NPFG	7/1/2019	5,280,000	5.00%	7/1/2015	Unimpaired
Sewer2005C	251237J87	Second	NPFG	7/1/2020	7,355,000	5.00%	7/1/2015	Unimpaired
Sewer2005C	251237J95	Second	NPFG	7/1/2021	7,720,000	5.00%	7/1/2015	Unimpaired
Sewer2005C	251237K28	Second	NPFG	7/1/2025	6,345,000	5.00%	7/1/2015	Unimpaired
					<b>49,580,000</b>			
Sewer2006A	251237Z4	Second	NPFG / BHAC	7/1/2036	123,655,000	5.50%	7/1/2018	Unimpaired
					<b>123,655,000</b>			
Sewer2006B	251237M83	Second	NPFG	7/1/2014	1,835,000	5.00%	N/A	Unimpaired
Sewer2006B	251237M91	Second	NPFG	7/1/2015	1,825,000	5.00%	N/A	Unimpaired
Sewer2006B	251237N25	Second	NPFG	7/1/2016	1,430,000	5.00%	N/A	1.13%
Sewer2006B	251237N33	Second	NPFG	7/1/2017	1,505,000	5.00%	7/1/2016	1.47%
Sewer2006B	251237N41	Second	NPFG	7/1/2018	1,590,000	5.00%	7/1/2016	1.82%
Sewer2006B	251237N58	Second	NPFG	7/1/2022	7,515,000	4.50%	7/1/2016	Unimpaired
Sewer2006B	251237N66	Second	NPFG	7/1/2025	6,540,000	4.25%	7/1/2016	Unimpaired
Sewer2006B	251237N74	Second	NPFG	7/1/2033	24,400,000	5.00%	7/1/2016	Unimpaired
Sewer2006B	251237N82	Second	NPFG	7/1/2034	40,000,000	4.63%	7/1/2016	Unimpaired
Sewer2006B	251237N90	Second	NPFG	7/1/2036	156,600,000	5.00%	7/1/2016	Unimpaired
					<b>243,240,000</b>			

## DWSD Debt Analysis - Interest Rate Reset

Series Name	CUSIP	Lien	Insurer	Final Maturity	Total Principal	Coupon	Call Date	New Interest Rate
<b>Sewer Capital Appreciation and Variable Bonds</b>								
Sewer1999A <sup>(1)</sup>	251237VM2	Senior	NPFG	7/1/2014	8,395,000	N/A	N/A	Unimpaired
Sewer1999A <sup>(1)</sup>	251237VN0	Senior	NPFG	7/1/2015	8,228,111	6.04%	N/A	Unimpaired
Sewer1999A <sup>(1)</sup>	251237VP5	Senior	NPFG	7/1/2016	8,174,016	6.09%	N/A	0.87%
Sewer1999A <sup>(1)</sup>	251237VQ3	Senior	NPFG	7/1/2017	7,597,422	6.14%	N/A	1.20%
Sewer1999A <sup>(1)</sup>	251237VR1	Senior	NPFG	7/1/2018	7,155,785	6.19%	N/A	1.54%
Sewer1999A <sup>(1)</sup>	251237VS9	Senior	NPFG	7/1/2019	6,762,707	6.24%	N/A	1.93%
Sewer1999A <sup>(1)</sup>	251237VT7	Senior	NPFG	7/1/2020	6,048,715	6.29%	N/A	2.37%
Sewer1999A <sup>(1)</sup>	251237VU4	Senior	NPFG	7/1/2021	6,628,298	6.31%	N/A	2.81%
					<b>58,990,054</b>			
Sewer2006D <sup>(2)</sup>	251237W66	Senior	Assured Guaranty	7/1/2032	288,780,000	0.77%	7/1/2011	Unimpaired
					<b>288,780,000</b>			
Sewer2001D <sup>(3)</sup>	251237WY5	Second	NPFG	7/1/2032	21,300,000	0.28%	7/1/2012	Unimpaired
					<b>21,300,000</b>			

### Notes

(1) Sewer 1999A capital appreciation bonds amount outstanding as of 7/1/2014. Effective interest rate calculated.

(2) Variable interest rate: 67% of Three Month LIBOR plus 0.60%. New bonds will retain existing rate. Current coupon approximated to be 0.749%.

(3) Variable interest rate calculated per Auction Rate. New bonds will retain existing rate. Current coupon approximated to be 0.28%.

## DWSD Debt Analysis - Interest Rate Reset

Series Name	CUSIP	Lien	Insurer	Final Maturity	Total Principal	Coupon	Call Date	New Interest Rate
<b>Water Bonds</b>								
Water1993	251255TP0	Senior	NPFG	7/1/2015	24,725,000	6.50%	N/A	Unimpaired
					<b>24,725,000</b>			
Water1997A	251255XM2	Senior	NPFG	7/1/2014	6,520,000	6.00%	N/A	Unimpaired
Water1997A	251255XN0	Senior	NPFG	7/1/2015	6,910,000	6.00%	N/A	Unimpaired
					<b>13,430,000</b>			
Water2001A	251255A21	Senior	NPFG	7/1/2030	73,790,000	5.00%	7/1/2011	Unimpaired
					<b>73,790,000</b>			
Water2003A	251255D77	Senior	NPFG	7/1/2019	500,000	4.50%	7/1/2013	Unimpaired
Water2003A	251255D93	Senior	NPFG	7/1/2021	250,000	4.70%	7/1/2013	Unimpaired
Water2003A	251255E27	Senior	NPFG	7/1/2022	3,550,000	4.75%	7/1/2013	Unimpaired
Water2003A	251255F8	Senior	NPFG	7/1/2025	9,970,000	5.00%	7/1/2013	Unimpaired
Water2003A	251255K20	Senior	NPFG	7/1/2026	20,955,000	5.00%	7/1/2013	Unimpaired
Water2003A	251255K38	Senior	NPFG	7/1/2027	21,900,000	5.00%	7/1/2013	Unimpaired
Water2003A	251255E68	Senior	NPFG	7/1/2034	121,660,000	5.00%	7/1/2013	Unimpaired
					<b>178,785,000</b>			
Water2003C (Fix)	251255J22	Senior	NPFG	7/1/2015	2,120,000	4.25%	7/1/2013	Unimpaired
Water2003C (Fix)	251255J30	Senior	NPFG	7/1/2016	2,620,000	5.25%	7/1/2013	Unimpaired
Water2003C (Fix)	251255J48	Senior	NPFG	7/1/2017	2,655,000	5.25%	7/1/2013	Unimpaired
Water2003C (Fix)	251255J55	Senior	NPFG	7/1/2018	2,930,000	5.25%	7/1/2013	Unimpaired
Water2003C (Fix)	251255J63	Senior	NPFG	7/1/2019	2,790,000	5.25%	7/1/2013	Unimpaired
Water2003C (Fix)	251255J71	Senior	NPFG	7/1/2020	2,965,000	5.25%	7/1/2013	Unimpaired
Water2003C (Fix)	251255J89	Senior	NPFG	7/1/2021	4,580,000	5.00%	7/1/2013	Unimpaired
Water2003C (Fix)	251255J97	Senior	NPFG	7/1/2022	4,665,000	5.00%	7/1/2013	Unimpaired
					<b>25,325,000</b>			
Water2003D	2512552T1	Senior	NPFG	7/1/2014	325,000	4.00%	N/A	Unimpaired
Water2003D	2512552U8	Senior	NPFG	7/1/2015	335,000	4.10%	N/A	Unimpaired
Water2003D	2512552V6	Senior	NPFG	7/1/2016	350,000	4.20%	N/A	Unimpaired
Water2003D	2512552W4	Senior	NPFG	7/1/2017	360,000	4.25%	7/1/2016	Unimpaired
Water2003D	2512552X2	Senior	NPFG	7/1/2018	370,000	4.25%	7/1/2016	Unimpaired
Water2003D	2512552Y0	Senior	NPFG	7/1/2024	2,585,000	5.00%	7/1/2016	2.95%
Water2003D	2512552Z7	Senior	NPFG	7/1/2027	29,410,000	5.00%	7/1/2016	4.07%
Water2003D	2512553A1	Senior	NPFG	7/1/2028	23,920,000	5.00%	7/1/2016	4.42%
Water2003D	2512553B9	Senior	NPFG	7/1/2033	82,930,000	5.00%	7/1/2016	Unimpaired
					<b>140,585,000</b>			



## DWSD Debt Analysis - Interest Rate Reset

Series Name	CUSIP	Lien	Insurer	Final Maturity	Total Principal	Coupon	Call Date	New Interest Rate
Water2004B	2512554A0	Senior	NPFG	7/1/2014	85,000	4.00%	N/A	Unimpaired
Water2004B	2512554B8	Senior	NPFG	7/1/2015	90,000	4.00%	N/A	Unimpaired
Water2004B	2512554C6	Senior	NPFG	7/1/2016	10,000,000	5.00%	N/A	0.87%
Water2004B	2512554D4	Senior	NPFG	7/1/2016	3,545,000	4.25%	N/A	Unimpaired
Water2004B	2512554E2	Senior	NPFG	7/1/2017	13,925,000	5.00%	7/1/2016	1.20%
Water2004B	2512554F9	Senior	NPFG	7/1/2017	350,000	4.25%	7/1/2016	Unimpaired
Water2004B	2512554G7	Senior	NPFG	7/1/2018	14,940,000	5.00%	7/1/2016	1.54%
Water2004B	2512554H5	Senior	NPFG	7/1/2019	15,810,000	5.00%	7/1/2016	1.93%
Water2004B	2512554J1	Senior	NPFG	7/1/2020	16,665,000	5.00%	7/1/2016	2.37%
Water2004B	2512554K8	Senior	NPFG	7/1/2021	16,085,000	5.00%	7/1/2016	2.81%
Water2004B	2512554L6	Senior	NPFG	7/1/2022	16,935,000	5.00%	7/1/2016	3.17%
Water2004B	2512554M4	Senior	NPFG	7/1/2023	6,280,000	5.00%	7/1/2016	3.47%
					<b>114,710,000</b>			
Water2005A	251255M85	Senior	NPFG	7/1/2014	50,000	3.75%	N/A	Unimpaired
Water2005A	251255Q81	Senior	NPFG	7/1/2014	2,070,000	5.00%	N/A	Unimpaired
Water2005A	251255M93	Senior	NPFG	7/1/2015	85,000	3.85%	N/A	Unimpaired
Water2005A	251255Q99	Senior	NPFG	7/1/2015	2,145,000	5.00%	N/A	Unimpaired
Water2005A	251255N27	Senior	NPFG	7/1/2016	95,000	3.90%	7/1/2015	Unimpaired
Water2005A	251255R23	Senior	NPFG	7/1/2016	2,265,000	5.00%	7/1/2015	Unimpaired
Water2005A	251255N35	Senior	NPFG	7/1/2017	125,000	4.00%	7/1/2015	Unimpaired
Water2005A	251255R31	Senior	NPFG	7/1/2017	2,370,000	5.00%	7/1/2015	Unimpaired
Water2005A	251255N43	Senior	NPFG	7/1/2018	20,000	4.00%	7/1/2015	Unimpaired
Water2005A	251255R49	Senior	NPFG	7/1/2018	2,615,000	5.00%	7/1/2015	Unimpaired
Water2005A	251255N50	Senior	NPFG	7/1/2019	2,790,000	5.00%	7/1/2015	Unimpaired
Water2005A	251255N68	Senior	NPFG	7/1/2020	2,955,000	5.00%	7/1/2015	Unimpaired
Water2005A	251255N76	Senior	NPFG	7/1/2021	3,030,000	5.00%	7/1/2015	Unimpaired
Water2005A	251255N84	Senior	NPFG	7/1/2022	3,225,000	5.00%	7/1/2015	Unimpaired
Water2005A	251255N92	Senior	NPFG	7/1/2023	3,430,000	5.00%	7/1/2015	Unimpaired
Water2005A	251255P25	Senior	NPFG	7/1/2024	3,650,000	5.00%	7/1/2015	Unimpaired
Water2005A	251255P33	Senior	NPFG	7/1/2025	3,790,000	5.00%	7/1/2015	Unimpaired
Water2005A	251255P41	Senior	NPFG	7/1/2026	4,080,000	5.00%	7/1/2015	Unimpaired
Water2005A	251255P58	Senior	NPFG	7/1/2027	4,290,000	5.00%	7/1/2015	Unimpaired
Water2005A	251255P66	Senior	NPFG	7/1/2028	4,615,000	5.00%	7/1/2015	Unimpaired
Water2005A	251255P74	Senior	NPFG	7/1/2029	4,890,000	4.50%	7/1/2015	Unimpaired
Water2005A	251255P82	Senior	NPFG	7/1/2030	5,145,000	4.50%	7/1/2015	Unimpaired
Water2005A	251255P90	Senior	NPFG	7/1/2031	5,415,000	4.50%	7/1/2015	Unimpaired
Water2005A	251255Q24	Senior	NPFG	7/1/2032	5,715,000	4.50%	7/1/2015	Unimpaired
Water2005A	251255Q32	Senior	NPFG	7/1/2035	19,525,000	4.50%	7/1/2015	Unimpaired
					<b>88,385,000</b>			

# DWSD Debt Analysis - Interest Rate Reset

Series Name	CUSIP	Lien	Insurer	Final Maturity	Total Principal	Coupon	Call Date	New Interest Rate
Water2005B	2512557R0	Senior	FGIC / BHAC	7/1/2014	2,125,000	5.00%	N/A	Unimpaired
Water2005B	2512557S8	Senior	FGIC / BHAC	7/1/2015	2,225,000	4.00%	N/A	Unimpaired
Water2005B	2512557T6	Senior	FGIC / BHAC	7/1/2016	2,305,000	4.00%	N/A	Unimpaired
Water2005B	2512557U3	Senior	FGIC / BHAC	7/1/2017	2,385,000	4.00%	N/A	Unimpaired
Water2005B	2512557V1	Senior	FGIC / BHAC	7/1/2018	2,465,000	5.50%	N/A	1.54%
Water2005B	2512557W9	Senior	FGIC / BHAC	7/1/2019	2,575,000	5.50%	7/1/2018	1.93%
Water2005B	2512557X7	Senior	FGIC / BHAC	7/1/2020	2,690,000	5.50%	7/1/2018	2.37%
Water2005B	2512557Y5	Senior	FGIC / BHAC	7/1/2021	2,905,000	5.50%	7/1/2018	2.81%
Water2005B	2512557Z2	Senior	FGIC / BHAC	7/1/2022	3,025,000	5.50%	7/1/2018	3.17%
Water2005B	2512558A6	Senior	FGIC / BHAC	7/1/2023	3,145,000	5.50%	7/1/2018	3.47%
Water2005B	2512558B4	Senior	FGIC / BHAC	7/1/2024	3,270,000	5.50%	7/1/2018	3.68%
Water2005B	2512558C2	Senior	FGIC / BHAC	7/1/2025	3,490,000	5.50%	7/1/2018	3.88%
Water2005B	2512558D0	Senior	FGIC / BHAC	7/1/2026	3,620,000	5.50%	7/1/2018	4.08%
Water2005B	2512558E8	Senior	FGIC / BHAC	7/1/2027	3,850,000	5.50%	7/1/2018	4.24%
Water2005B	2512558F5	Senior	FGIC / BHAC	7/1/2028	3,980,000	5.50%	7/1/2018	4.42%
Water2005B	2512558G3	Senior	FGIC / BHAC	7/1/2034	28,415,000	4.75%	7/1/2018	Unimpaired
Water2005B	2512558H1	Senior	FGIC / BHAC	7/1/2035	57,365,000	5.50%	7/1/2018	4.93%
Water2005B	2512558J7	Senior	FGIC / BHAC	7/1/2035	57,500,000	5.25%	7/1/2018	Unimpaired
					<b>187,335,000</b>			
Water2005C	251255S63	Senior	NPFG	7/1/2014	9,270,000	5.00%	N/A	Unimpaired
Water2005C	251255S71	Senior	NPFG	7/1/2015	9,735,000	5.00%	N/A	Unimpaired
Water2005C	251255S89	Senior	NPFG	7/1/2016	17,545,000	5.00%	7/1/2015	Unimpaired
Water2005C	251255S97	Senior	NPFG	7/1/2017	18,425,000	5.00%	7/1/2015	Unimpaired
Water2005C	251255T21	Senior	NPFG	7/1/2018	18,700,000	5.00%	7/1/2015	Unimpaired
Water2005C	251255T39	Senior	NPFG	7/1/2019	8,245,000	5.00%	7/1/2015	Unimpaired
Water2005C	251255T47	Senior	NPFG	7/1/2020	8,655,000	5.00%	7/1/2015	Unimpaired
Water2005C	251255T54	Senior	NPFG	7/1/2021	9,090,000	5.00%	7/1/2015	Unimpaired
Water2005C	251255T62	Senior	NPFG	7/1/2022	9,540,000	5.00%	7/1/2015	Unimpaired
					<b>109,205,000</b>			
Water2006A	251255V36	Senior	Assured Guaranty	7/1/2014	7,285,000	5.00%	N/A	Unimpaired
Water2006A	251255V44	Senior	Assured Guaranty	7/1/2015	7,650,000	5.00%	N/A	Unimpaired
Water2006A	251255V51	Senior	Assured Guaranty	7/1/2016	8,030,000	5.00%	N/A	0.87%
Water2006A	251255V69	Senior	Assured Guaranty	7/1/2017	8,430,000	5.00%	7/1/2016	1.20%
Water2006A	251255V77	Senior	Assured Guaranty	7/1/2018	8,855,000	5.00%	7/1/2016	1.54%
Water2006A	251255V85	Senior	Assured Guaranty	7/1/2019	9,295,000	5.00%	7/1/2016	1.93%
Water2006A	251255V93	Senior	Assured Guaranty	7/1/2020	9,760,000	5.00%	7/1/2016	2.37%
Water2006A	251255W27	Senior	Assured Guaranty	7/1/2021	10,250,000	5.00%	7/1/2016	2.81%
Water2006A	251255W35	Senior	Assured Guaranty	7/1/2022	10,760,000	5.00%	7/1/2016	3.17%
Water2006A	251255W43	Senior	Assured Guaranty	7/1/2023	11,300,000	5.00%	7/1/2016	3.47%
Water2006A	251255W50	Senior	Assured Guaranty	7/1/2024	11,865,000	5.00%	7/1/2016	3.68%
Water2006A	251255W68	Senior	Assured Guaranty	7/1/2025	12,460,000	5.00%	7/1/2016	3.88%
Water2006A	251255W76	Senior	Assured Guaranty	7/1/2026	13,080,000	5.00%	7/1/2016	4.08%
Water2006A	251255W84	Senior	Assured Guaranty	7/1/2034	131,150,000	5.00%	7/1/2016	Unimpaired
					<b>260,170,000</b>			

## DWSD Debt Analysis - Interest Rate Reset

Series Name	CUSIP	Lien	Insurer	Final	Total	Coupon	Call	New Interest
				Maturity	Principal		Date	Rate
Water2006D	251255Z81	Senior	Assured Guaranty	7/1/2014	15,000	4.00%	N/A	Unimpaired
Water2006D	251255Z99	Senior	Assured Guaranty	7/1/2015	15,000	4.10%	N/A	Unimpaired
Water2006D	2512552A2	Senior	Assured Guaranty	7/1/2016	15,000	4.20%	N/A	Unimpaired
Water2006D	2512552B0	Senior	Assured Guaranty	7/1/2017	20,000	4.25%	7/1/2016	Unimpaired
Water2006D	2512552C8	Senior	Assured Guaranty	7/1/2018	20,000	4.30%	7/1/2016	Unimpaired
Water2006D	2512552D6	Senior	Assured Guaranty	7/1/2019	2,650,000	5.00%	7/1/2016	1.93%
Water2006D	2512552E4	Senior	Assured Guaranty	7/1/2020	3,200,000	5.00%	7/1/2016	2.37%
Water2006D	2512552F1	Senior	Assured Guaranty	7/1/2023	20,135,000	5.00%	7/1/2016	3.47%
Water2006D	2512552G9	Senior	Assured Guaranty	7/1/2024	27,425,000	5.00%	7/1/2016	3.68%
Water2006D	2512552H7	Senior	Assured Guaranty	7/1/2025	9,955,000	5.00%	7/1/2016	3.88%
Water2006D	2512552J3	Senior	Assured Guaranty	7/1/2032	21,105,000	4.63%	7/1/2016	Unimpaired
Water2006D	2512552K0	Senior	Assured Guaranty	7/1/2032	57,650,000	5.00%	7/1/2016	Unimpaired
					142,205,000			
Water2011A	251256BA0	Senior	N/A	7/1/2014	3,410,000	5.00%	N/A	Unimpaired
Water2011A	251256BB8	Senior	N/A	7/1/2015	3,550,000	5.00%	N/A	Unimpaired
Water2011A	251256BC6	Senior	N/A	7/1/2016	3,695,000	5.00%	N/A	0.87%
Water2011A	251256BD4	Senior	N/A	7/1/2017	3,845,000	5.00%	N/A	1.20%
Water2011A	251256BE2	Senior	N/A	7/1/2018	4,000,000	5.00%	N/A	1.54%
Water2011A	251256BF9	Senior	N/A	7/1/2019	3,160,000	5.00%	N/A	1.93%
Water2011A	251256BG7	Senior	N/A	7/1/2020	3,225,000	5.00%	N/A	2.37%
Water2011A	251256BH5	Senior	N/A	7/1/2021	4,215,000	5.00%	N/A	2.81%
Water2011A	251256BJ1	Senior	N/A	7/1/2022	4,195,000	5.25%	7/1/2021	3.17%
Water2011A	251256BK8	Senior	N/A	7/1/2023	4,170,000	5.25%	7/1/2021	3.47%
Water2011A	251256BL6	Senior	N/A	7/1/2024	4,140,000	5.25%	7/1/2021	3.68%
Water2011A	251256BM4	Senior	N/A	7/1/2025	4,085,000	5.25%	7/1/2021	3.88%
Water2011A	251256BN2	Senior	N/A	7/1/2026	4,020,000	5.25%	7/1/2021	4.08%
Water2011A	251256BP7	Senior	N/A	7/1/2027	3,930,000	5.25%	7/1/2021	4.24%
Water2011A	251256BQ5	Senior	N/A	7/1/2031	14,665,000	5.00%	7/1/2021	4.56%
Water2011A	251256BR3	Senior	N/A	7/1/2036	28,890,000	5.00%	7/1/2021	Unimpaired
Water2011A	251256BT9	Senior	N/A	7/1/2037	49,315,000	5.75%	7/1/2021	5.02%
Water2011A	251256BS1	Senior	N/A	7/1/2041	224,300,000	5.25%	7/1/2021	Unimpaired
					370,810,000			
Water2011B	251256AV5	Senior	N/A	7/1/2016	1,970,000	3.61%	N/A	Unimpaired
Water2011B	251256AW3	Senior	N/A	7/1/2021	3,760,000	5.00%	N/A	2.01%
Water2011B	251256AX1	Senior	N/A	7/1/2033	9,740,000	6.00%	7/1/2021	4.22%
					15,470,000			
Water2011C	251256BV4	Senior	N/A	7/1/2021	2,700,000	5.00%	N/A	2.81%
Water2011C	251256BW2	Senior	N/A	7/1/2023	9,965,000	5.25%	7/1/2021	3.47%
Water2011C	251256BX0	Senior	N/A	7/1/2024	10,490,000	5.25%	7/1/2021	3.68%
Water2011C	251256BY8	Senior	N/A	7/1/2025	11,035,000	5.25%	7/1/2021	3.88%
Water2011C	251256BZ5	Senior	N/A	7/1/2026	11,615,000	5.25%	7/1/2021	4.08%
Water2011C	251256CA9	Senior	N/A	7/1/2027	5,000,000	5.25%	7/1/2021	4.24%
Water2011C	251256CC5	Senior	N/A	7/1/2027	7,230,000	4.50%	7/1/2021	Unimpaired
Water2011C	251256CB7	Senior	N/A	7/1/2041	44,630,000	5.00%	7/1/2021	Unimpaired
					102,665,000			

# DWSD Debt Analysis - Interest Rate Reset

Series Name	CUSIP	Lien	Insurer	Final Maturity	Total Principal	Coupon	Call Date	New Interest Rate
Water2001C	2512556U4	Second	FGIC / BHAC	7/1/2014	350,000	3.50%	N/A	Unimpaired
Water2001C	2512556V2	Second	FGIC / BHAC	7/1/2015	365,000	4.25%	N/A	Unimpaired
Water2001C	2512556W0	Second	FGIC / BHAC	7/1/2016	380,000	4.25%	N/A	Unimpaired
Water2001C	2512556X8	Second	FGIC / BHAC	7/1/2017	390,000	4.25%	N/A	Unimpaired
Water2001C	2512556Y6	Second	FGIC / BHAC	7/1/2018	415,000	4.25%	N/A	Unimpaired
Water2001C	2512556Z3	Second	FGIC / BHAC	7/1/2019	12,510,000	5.75%	7/1/2018	2.21%
Water2001C	2512557A7	Second	FGIC / BHAC	7/1/2020	13,235,000	5.75%	7/1/2018	2.66%
Water2001C	2512557B5	Second	FGIC / BHAC	7/1/2021	14,025,000	5.75%	7/1/2018	3.12%
Water2001C	2512557C3	Second	FGIC / BHAC	7/1/2022	14,865,000	5.75%	7/1/2018	3.48%
Water2001C	2512557D1	Second	FGIC / BHAC	7/1/2023	15,750,000	5.75%	7/1/2018	3.79%
Water2001C	2512557E9	Second	FGIC / BHAC	7/1/2024	16,690,000	5.75%	7/1/2018	4.00%
Water2001C	2512557F6	Second	FGIC / BHAC	7/1/2025	17,690,000	5.75%	7/1/2018	4.22%
Water2001C	2512557G4	Second	FGIC / BHAC	7/1/2026	18,735,000	5.75%	7/1/2018	4.43%
Water2001C	2512557H2	Second	FGIC / BHAC	7/1/2027	19,945,000	5.75%	7/1/2018	4.59%
Water2001C	2512557J8	Second	FGIC / BHAC	7/1/2028	4,000,000	5.75%	7/1/2018	4.78%
Water2001C	2512557L3	Second	FGIC / BHAC	7/1/2029	20,090,000	4.50%	7/1/2018	Unimpaired
Water2001C	2512557K5	Second	FGIC / BHAC	7/1/2029	18,815,000	4.75%	7/1/2018	Unimpaired
					<b>188,250,000</b>			
Water2003B	2512555H4	Second	NPFG	7/1/2034	41,770,000	5.00%	7/1/2013	Unimpaired
					<b>41,770,000</b>			
Water2004A	2512553G8	Second	NPFG	7/1/2014	4,250,000	5.25%	N/A	Unimpaired
Water2004A	2512553H6	Second	NPFG	7/1/2015	4,475,000	5.25%	N/A	Unimpaired
Water2004A	2512553J2	Second	NPFG	7/1/2016	4,710,000	5.25%	N/A	1.13%
Water2004A	2512553K9	Second	NPFG	7/1/2017	4,955,000	5.25%	7/1/2016	1.47%
Water2004A	2512553L7	Second	NPFG	7/1/2018	5,215,000	5.25%	7/1/2016	1.82%
Water2004A	2512553M5	Second	NPFG	7/1/2019	5,490,000	5.25%	7/1/2016	2.21%
Water2004A	2512553N3	Second	NPFG	7/1/2020	5,780,000	5.25%	7/1/2016	2.66%
Water2004A	2512553P8	Second	NPFG	7/1/2021	6,085,000	5.25%	7/1/2016	3.12%
Water2004A	2512553Q6	Second	NPFG	7/1/2022	6,400,000	5.25%	7/1/2016	3.48%
Water2004A	2512553R4	Second	NPFG	7/1/2023	6,735,000	5.25%	7/1/2016	3.79%
Water2004A	2512553S2	Second	NPFG	7/1/2025	14,505,000	4.50%	7/1/2016	Unimpaired
					<b>68,600,000</b>			
Water2006B	251256AG8	Second	Assured Guaranty	7/1/2014	100,000	3.90%	N/A	Unimpaired
Water2006B	251256AH6	Second	Assured Guaranty	7/1/2015	100,000	4.00%	N/A	Unimpaired
Water2006B	251256AJ2	Second	Assured Guaranty	7/1/2016	100,000	4.25%	N/A	Unimpaired
Water2006B	251256AK9	Second	Assured Guaranty	7/1/2017	100,000	4.60%	N/A	Unimpaired
Water2006B	251256AL7	Second	Assured Guaranty	7/1/2018	100,000	4.80%	N/A	Unimpaired
Water2006B	251256AM5	Second	Assured Guaranty	7/1/2019	100,000	5.00%	N/A	2.21%
Water2006B	251256AN3	Second	Assured Guaranty	7/1/2023	400,000	5.50%	7/1/2019	3.26%
Water2006B	251256AP8	Second	Assured Guaranty	7/1/2036	56,600,000	7.00%	7/1/2019	5.40%
Water2006B	251256AQ6	Second	Assured Guaranty	7/1/2036	62,100,000	6.25%	7/1/2019	5.40%
					<b>119,700,000</b>			

## DWSD Debt Analysis - Interest Rate Reset

Series Name	CUSIP	Lien	Insurer	Final Maturity	Total Principal	Coupon	Call Date	New Interest Rate
Water2006C	251255X83	Second	Assured Guaranty	7/1/2014	1,100,000	4.00%	N/A	Unimpaired
Water2006C	251255X91	Second	Assured Guaranty	7/1/2015	3,725,000	5.00%	N/A	Unimpaired
Water2006C	251255Y25	Second	Assured Guaranty	7/1/2016	3,795,000	5.00%	N/A	1.13%
Water2006C	251255Y33	Second	Assured Guaranty	7/1/2017	4,010,000	5.00%	7/1/2016	1.47%
Water2006C	251255Y41	Second	Assured Guaranty	7/1/2018	4,765,000	5.00%	7/1/2016	1.82%
Water2006C	251255Y58	Second	Assured Guaranty	7/1/2022	5,860,000	5.00%	7/1/2016	2.89%
Water2006C	251255Y66	Second	Assured Guaranty	7/1/2026	14,880,000	5.00%	7/1/2016	4.28%
Water2006C	251255Y74	Second	Assured Guaranty	7/1/2029	32,045,000	5.00%	7/1/2016	Unimpaired
Water2006C	251255Y82	Second	Assured Guaranty	7/1/2033	146,500,000	5.00%	7/1/2016	Unimpaired
					<b>216,680,000</b>			

### Water Variable Bonds

Water2003C (Var) <sup>(4)</sup>	251255H99	Senior	NPFG	7/1/2014	2,330,000	2.41%	7/1/2013	Unimpaired
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### Notes

(4) Variable interest rate based on MUNI - CPI Rate. New bonds will retain existing rate. Current coupon estimated at approximately 2.41%.

**EXHIBIT I.A.173**

SCHEDULE OF LIMITED TAX GENERAL OBLIGATION BOND  
DOCUMENTS & RELATED LIMITED TAX GENERAL OBLIGATION BONDS

**SCHEDULE OF LIMITED TAX GENERAL OBLIGATION BOND  
DOCUMENTS & RELATED LIMITED TAX GENERAL OBLIGATION BONDS**

Limited Tax General Obligation Bond Documents	Series of Limited Tax General Obligation Bonds	Balance as of Petition Date
Bond Authorizing Resolution adopted May 26, 2004  Finance Director's Order approving sale of General Obligation Self-Insurance Bonds (Limited Tax) Series 2004, dated August 27, 2004	Self Insurance - Series 2004	\$13,186,559
Bond Authorizing Resolution adopted May 6, 2005 (" <u>2005 LTGO Resolution</u> ")  Finance Director's Order dated June 24, 2005 (" <u>2005 Sale Order</u> ")	Series 2005-A(1)	\$60,776,168
2005 LTGO Resolution  2005 Sale Order	Series 2005-A(2)	\$11,080,060
2005 LTGO Resolution  2005 Sale Order	Series 2005-B	\$9,003,535
Resolution of the City Council adopted November 17, 2006 (" <u>2006 LTGO Resolution</u> ")  Finance Director's Order dated May 30, 2008 (" <u>2008 LTGO Sale Order</u> ")	Series 2008-A(1)	\$43,905,085
2006 LTGO Resolution  2008 LTGO Sale Order	Series 2008-A(2)	\$25,591,781

**EXHIBIT I.A.183**

NEW B NOTES  
SUMMARY OF PRINCIPAL TERMS



**NEW B NOTES**  
**SUMMARY OF PRINCIPAL TERMS<sup>1</sup>**

On the Effective Date, the City shall issue the New B Notes and distribute them as set forth in the Plan. The definitive documentation governing the New B Notes shall provide generally for the following terms:

Obligation	The City's obligations with respect to the New B Notes shall be a general and unsecured obligation of the City.
Initial Principal Amount	\$650.0 million.
Interest Rate	4.0% for the first 20 years; 6.0% for years 21 through 30.
Maturity	30 years.
Amortization	Interest only for 10 years; amortization in 20 equal annual installments beginning on the interest payment date nearest to the 11th anniversary from issuance.
Disclosure	The City will provide a continuing disclosure undertaking under 17 C.F.R. § 240.15c2-12 in connection with the delivery of the New B Notes.

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meaning given to them in the Plan.

**EXHIBIT I.A.184**

FORM OF NEW B NOTES DOCUMENTS

ORDER OF THE EMERGENCY MANAGER OF THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN, AUTHORIZING THE ISSUANCE BY THE CITY OF DETROIT OF NOT TO EXCEED \$650,000,000 FINANCIAL RECOVERY BONDS IN ONE OR MORE SERIES FOR THE PURPOSE OF SATISFYING CERTAIN CLAIMS AS PROVIDED IN THE BANKRUPTCY CASE PLAN OF ADJUSTMENT; AND AUTHORIZING THE EMERGENCY MANAGER TO MAKE CERTAIN DETERMINATIONS AND TO TAKE CERTAIN ACTIONS IN CONNECTION WITH THE SALE AND DELIVERY OF SAID BONDS.

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ORDER NO. \_\_\_\_

ORDER OF THE EMERGENCY MANAGER OF THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN, AUTHORIZING THE ISSUANCE BY THE CITY OF DETROIT OF NOT TO EXCEED \$650,000,000 FINANCIAL RECOVERY BONDS IN ONE OR MORE SERIES FOR THE PURPOSE OF SATISFYING CERTAIN CLAIMS AS PROVIDED IN THE BANKRUPTCY CASE PLAN OF ADJUSTMENT; AND AUTHORIZING THE EMERGENCY MANAGER TO MAKE CERTAIN DETERMINATIONS AND TO TAKE CERTAIN ACTIONS IN CONNECTION WITH THE SALE AND DELIVERY OF SAID BONDS.

WHEREAS, on March 1, 2013, the Governor (the "Governor") of the State of Michigan (the "State") determined that a financial emergency existed within the City of Detroit, County of Wayne, State of Michigan (the "City") pursuant to the Local Government Fiscal Responsibility Act, Act 72, Public Acts of Michigan, 1990, as amended ("Act 72"); and

WHEREAS, on March 14, 2013, the Governor confirmed that a financial emergency existed within the City and, pursuant to Act 72, assigned to the Local Emergency Financial Assistance Loan Board established pursuant to the Emergency Municipal Loan Act, Act 243 Public Acts of Michigan, 1980, as amended (the "Board") the responsibility for managing the financial emergency; and

WHEREAS, on March 14, 2013, pursuant to Act 72, the Board appointed Kevyn D. Orr as Emergency Financial Manager for the City; And

WHEREAS, by operation of law the financial emergency continues to exist within the City pursuant to the Local Financial Stability and Choice Act, Act 436, Public Acts of Michigan, 2012 ("Act 436") and the Emergency Financial Manager continues in the capacity of the Emergency Manager for the City (the "Emergency Manager"); and

WHEREAS, on July 18, 2013 (the "Petition Date"), in accordance with Act 436 and the approval of the Governor, the Emergency Manager filed on behalf of the City a petition for relief pursuant to Chapter 9 of title 11 of the United States Code, 11 U.S.C. Sections 101-1532 (as amended, the "Bankruptcy Code") in the United States Bankruptcy Court for the Eastern District of Michigan (the "Bankruptcy Court"); and

WHEREAS, on \_\_\_\_\_ 2014, the Emergency Manager filed on behalf of the City a Plan for the Adjustment (the "Plan of Adjustment") in the Bankruptcy Court to provide for the adjustment of the debts of the City pursuant to and in accordance with Chapter 9 of the Bankruptcy Code; and

WHEREAS, the Plan of Adjustment provides, among other things, for the satisfaction of certain claims of unsecured creditors as set out in the Plan of Adjustment (the "Claims") in exchange for the receipt of the New B Notes (the "New B Notes"); and

WHEREAS, upon satisfaction of all of the terms and conditions required of the City related to the confirmation of the Plan of Adjustment, the City shall establish the Business Day (the “Effective Date”) upon which the Plan of Adjustment shall be consummated; and

WHEREAS, on or as reasonably practicable after the Effective Date, the City shall execute New B Notes Documents and issue New B Notes in the form of the Financial Recovery Bonds authorized under Section 36a of the Home Rule City Act, Act 279, Public Acts of Michigan, 1909, as amended (“Act 279”) and this Order, and distribute the New B Notes in the form of the Financial Recovery Bonds to the holders of the Claims, as provided in the Plan of Adjustment; and

WHEREAS, on \_\_\_\_\_, 2014, pursuant to Section 12(1) and Section 19(1) of Act 436, the Emergency Manager filed with the City Council of the City his Order No. \_\_ Approval of Plan of Adjustment and Financing (“Order No. \_\_”); and

[WHEREAS, Order No. \_\_ proposed, among other things, for the issuance by the City of Financial Recovery Bonds, in one or more series, under Section 36a of Act 279, to provide financing for the satisfaction of the Claims and other certain claims of creditors under the Plan of Adjustment of the City, upon the terms and conditions and parameters set forth in the Plan of Adjustment (the “POA Financing”); and

[WHEREAS, on \_\_\_\_\_, 2014, in accordance with Section 19(1) of Act 436, the City Council of the City (the “City Council”) [approved/disapproved] the POA Financing; and]

[WHEREAS, pursuant to Section 19(2) of Act 436, City Council was afforded 7 days following its disapproval of the POA Financing to propose an “alternative proposal that would yield substantially the same financial result as” the POA Financing to the Local Financial Assistance Emergency Loan Board (the “Board”) created under Act 243, Public Acts of Michigan, 1980, as amended; and]

[WHEREAS, City Council failed to offer an alternative proposal to the Board during the time period prescribed in Section 19(2) of Act 436 and as a consequence, the Board does not have to approve implementation of the POA Financing by the Emergency Manager; and]

WHEREAS, on \_\_\_\_\_, 2014, the Bankruptcy Court entered an order (the “Confirmation Order”) confirming the Plan of Adjustment pursuant to Section 943 of the Bankruptcy Code; and

WHEREAS, the Emergency Manager of the City deems it necessary to authorize the issuance of Financial Recovery Bonds in one or more series (the “Bonds”), in the aggregate principal amount of not to exceed Six Hundred Fifty Million Dollars (\$650,000,00) pursuant to Section 36a of Act 279; and

WHEREAS, the Bonds will be secured by a pledge of the City’s limited tax full faith and credit; and

WHEREAS, Section 36a of Act 279 authorizes a city, for which a financial emergency has been determined to exist, such as the City, to borrow money and issue Financial Recovery Bonds subject to the terms and conditions approved by the Board; and

WHEREAS, the City must receive prior approval of the terms and conditions for the issuance of the Bonds from the Board in accordance with Section 36a of Act 279; and

WHEREAS, the Emergency Manager desires to submit this Order to the Board proposing the issuance by the City of Financial Recovery Bonds, in one or more series, under Section 36a of Act 279, to provide for a portion of the POA Financing for the City, solely to satisfy the Claims [and to pay certain administrative and other costs related to the issuance of the bonds, upon the terms and conditions and parameters approved by the Board; and]

NOW, THEREFORE, BE IT ORDERED AS FOLLOWS:

## **ARTICLE I**

### **DEFINITIONS AND INTERPRETATION**

Section 101. Definitions. The words and terms defined in the preambles and recitals hereof and the following words and terms as used in this Order shall have the meanings ascribed therein, herein or in the Plan of Adjustment to them unless a different meaning clearly appears from the context:

“Act 243” means Act No. 243, Public Acts of Michigan, 1980, as amended.

“Act 279” means Act No. 279, Public Acts of Michigan, 1909, as amended.

“Act 436” means Act No. 436, Public Acts of Michigan, 2012.

“Authorized Denominations” shall mean denominations of Bonds equal to multiples of \$100,000 or integral multiples of \$5,000 in excess thereof.

“Authorized Officer” means (i) the Emergency Manager or his designee or successor, or if the City is no longer operating under a financial emergency pursuant to Act 436, the chief administrative officer of the City, the Finance Director or his or her designee, or (ii) any other person authorized by a Certificate of an Authorized Officer to act on behalf of or otherwise represent the City in any legal capacity, which such certificate shall be delivered, if at all, in the City’s sole discretion.

“Bankruptcy Case” means the City’s Bankruptcy Case No. 13-53846 in the U.S. Bankruptcy Court for the Eastern District of Michigan.

“Board” has the meaning set forth in recitals hereto.



“Bond Counsel” means Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Detroit, Michigan, or such other nationally recognized firm of attorneys experienced in matters pertaining to municipal bonds and appointed to serve in such capacity by the City with respect to the Bonds.

“Bond” or “Bonds” means the Financial Recovery Bonds, Series 2014B of the City authorized to be issued by the Order in the aggregate principal amount not to exceed \$650,000,000, in one or more series, and bearing such other designations as determined by the Authorized Officer in the Supplemental Order.

“Bond Purchase Agreement” means the Bond Purchase Agreement by and between the Purchaser and the City related to the Bonds.

“Bond Registry” means the books for the registration of Bonds maintained by the Trustee.

“Bondowner”, “Owner” or “Registered Owner” means, with respect to any Bond, \_\_\_\_\_, as the Disbursing Agent on behalf of the Claimants, and in whose name such Bond is registered in the Bond Registry.

“Bonds” means the City’s Financial Recovery Bonds, Series 2014B, with such series designations as may be determined by the Authorized Officer in the Supplemental Order.

“Business Day” means any day other than (i) a Saturday, Sunday or legal holiday, (ii) a day on which the Trustee or banks and trust companies in New York, New York are authorized or required to remain closed, (iii) a day on which the New York Stock Exchange is closed, or (iv) a day on which the Federal Reserve is closed.

“Certificate” means (i) a signed document either attesting to or acknowledging the circumstances, representations or other matters therein stated or set forth or setting forth matters to be determined pursuant to the Indenture or (ii) the report of an Authorized Officer as to audits or other procedures called by the Indenture, as the case may be.

“Charter” means the Charter of the City, as amended from time to time.

“City” means the City of Detroit, County of Wayne, State of Michigan.

“Claimants” means the beneficial owners of the Claims.

“Claims” has the meaning set forth recitals hereto.

“Closing Date” means the date or dates upon which the Bonds are issued to satisfy the Claims.

“Code” means the Internal Revenue Code of 1986, as amended.

“Constitution” means the Constitution of the State of Michigan of 1963, as amended.

“Confirmation Order” has the meaning set forth in recitals hereto.

“Date of Original Issue” means the date upon which all conditions precedent set forth in the Bond Purchase Agreement to the transactions contemplated therein and herein have been satisfied and the Bonds have been issued to the Purchaser.

“Disbursing Agent” means the Registered Owner of the Bonds.

“Debt Retirement Fund” means the Debt Retirement Fund established under Section 501 hereof, and any subaccounts thereof established hereunder for the payment of principal of and premium and interest on the Bonds.

“Emergency Manager” has the meaning set forth in the recitals hereto.

“Fiscal Year” means the period from July 1 to and including June 30 of the immediately succeeding calendar year or such other fiscal year of the City as in effect from time to time.

“Interest Payment Date” means April 1 and October 1 of each year commencing with the April 1 or October 1 specified in the Supplemental Order.

“Interest Rate” means 4% per annum from the Date of Original Issue until the twentieth (20<sup>th</sup>) anniversary of the Date of Original Issue, and thereafter 6% per annum until the Maturity Date, or such other interest rates as confirmed in the Supplemental Order.

“Maturity Date” means the thirtieth (30<sup>th</sup>) anniversary of the Date of Original Issue or such other final date of maturity of each series of the Bonds as specified in the Supplemental Order.

“Maximum Aggregate Principal Amount” has the meaning given such term in Section 201.

“Order” means this Order of the Emergency Manager as supplemented by the Supplemental Order, and as amended from time to time pursuant to Article VII.

“Order No. \_\_” means Order No. \_\_, Approval of Plan of Adjustment, executed by the Emergency Manager on \_\_\_\_\_, 2014.

“Outstanding” when used with respect to:

- (1) the Bonds, means, as of the date of determination, the Bonds theretofore authenticated and delivered under this Order, except:
  - (A) Bonds theretofore canceled by the Paying Agent or delivered to such Paying Agent for cancellation;
  - (B) Bonds for whose payment money in the necessary amount has been theretofore deposited with the Paying Agent in trust for the registered owners of such Bonds;

- (C) Bonds delivered to the Paying Agent for cancellation in connection with (x) the exchange of such Bonds for other Bonds or (y) the transfer of the registration of such Bonds;
- (D) Bonds alleged to have been destroyed, lost or stolen which have been paid or replaced pursuant to this Order or otherwise pursuant to law; and
- (E) Bonds deemed paid as provided in Section 701.

“Paying Agent” means the bond registrar, transfer agent and paying agent for the Bonds.

“Plan of Adjustment” has the meaning set forth in the recitals hereto.

“Registered Owner” means the registered owner of a Bond as the registered owner’s name appears on the Bond Registry under Section 305.

“Regular Record Date” has the meaning given such term in Section 302.

“Security Depository” has the meaning given such term in Section 310.

“State” has the meaning set forth in the recitals hereto.

“State Treasurer” means the Treasurer of the State of Michigan.

“Supplemental Order” means the order or orders of the Authorized Officer making certain determinations and confirming the final details on the Bonds upon issuance, in accordance with the parameters of this Order.

Section 102. Interpretation. (a) Words of the feminine or masculine genders include the correlative words of the other gender or the neuter gender.

(b) Unless the context shall otherwise indicate, words importing the singular include the plural and vice versa, and words importing persons include corporations, associations, partnerships (including limited partnerships), trusts, firms and other legal entities, including public bodies, as well as natural persons.

(c) Articles and Sections referred to by number mean the corresponding Articles and Sections of this Order.

(d) The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms as used in this Order, refer to this Order as a whole unless otherwise expressly stated.

## ARTICLE II

### DETERMINATIONS

Section 201. Finding, and Declaration of Need to Issue Bonds. The Emergency Manager hereby finds and declares that it is necessary for the City to issue the Bonds hereunder in such

sum as shall be determined and approved by the Emergency Manager, not in excess of \$650,000,000 (the “Maximum Aggregate Principal Amount”), and to evidence such debt by the issuance of the Bonds in one or more series not in excess of the Maximum Aggregate Principal Amount, in Authorized Denominations, pursuant to and in accordance with the provisions of Section 36a of Act 279, for the purpose of satisfying the Claims as shall be specified in the Plan of Adjustment as being paid through B Notes in the Supplemental Order, or subsequently confirmed by the Authorized Officer to Bond Counsel, all as finally determined by the Authorized Officer in the Supplemental Order.

### **ARTICLE III**

#### **AUTHORIZATION, REDEMPTION AND ASSIGNMENT OF THE BONDS**

Section 301. Authorization of Bonds to Satisfy the Claims and Pledge. The City hereby authorizes the issuance of the Bonds as hereinafter defined in such principal amount as shall be confirmed in the Supplemental Order to satisfy the Claims as determined by the Authorized Officer in the Supplemental Order or subsequently confirmed by the Authorized Officer to Bond Counsel. The principal of and interest on the Bonds shall hereby be secured by the limited tax full faith and credit pledge of the City.

The City pledges to pay the principal of and interest on the Bonds as a first budget obligation from its general funds and in case of insufficiency thereof, from the proceeds of an annual levy of ad valorem taxes on all taxable property of the City, subject to applicable constitutional, statutory and charter tax rate limitations.

Section 302. Designations, Date, Interest, Maturity and Other Terms of the Bonds to Satisfy the Claims. (a) The Bonds shall be designated “FINANCIAL RECOVERY BONDS, SERIES 2014B” (the “Bonds”) and may bear such later or earlier dates and additional or alternative designations, series or subseries as the Authorized Officer may determine in the Supplemental Order, shall be issued in fully registered form and shall be consecutively numbered from “R-1” upwards, unless otherwise provided by the Authorized Officer in the Supplemental Order. The Bonds shall be dated and issued in such denominations all as determined by the Authorized Officer and confirmed by the Authorized Officer in the Supplemental Order.

(b) The Bonds of each series shall mature on such Maturity Dates not in excess of 30 years from the Date of Original Issue and shall bear interest at the Interest Rate on a taxable basis, payable on the Interest Payment Dates, all as shall be determined and confirmed by the Authorized Officer in the Supplemental Order. Unless otherwise provided by the Authorized Officer in the Supplemental Order, interest on the Bonds shall be calculated on the basis of the actual number of days elapsed in a 360 day year. The Bonds shall be payable, as to principal and interest, in lawful money of the United States of America.

(c) The Bonds shall be payable, as to principal and interest, in lawful money of the United States of America. Except as may be otherwise determined by the Authorized Officer in the Supplemental Order, interest on the Bonds shall be payable to the Registered Owner as of the 15th day of the month, whether or not a Business Day (a “Regular Record Date”), prior to each

Interest Payment Date. Interest on the Bonds shall be payable to such Registered Owners by check or draft drawn on the Paying Agent on each Interest Payment Date and mailed by first class mail or, upon the written request of the Owner of \$1,000,000 or more in aggregate principal amount of Bonds (with complete wiring instructions no later than the Regular Record Date for such Interest Payment Date), by wire transfer by the Paying Agent to such Owner. Such a request may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked at any time prior to a Regular Record Date by subsequent written notice to the Paying Agent.

(d) Interest on Bonds not punctually paid or duly provided for on an Interest Payment Date shall forthwith cease to be payable to the Registered Owners on the Regular Record Date established for such Interest Payment Date, and may be paid to the Registered Owners as of the close of business on a date fixed by the Paying Agent (a "Special Record Date") with respect to the payment of such defaulted interest to be fixed by the Paying Agent, or may be paid at any time in any other lawful manner. The Paying Agent shall give notice to the Registered Owners at least seven days before any such Special Record Date.

(e) The principal of the Bonds shall be payable to the Registered Owners of the Bonds upon the presentation of the Bonds to the Paying Agent at the principal corporate trust office of the Paying Agent.

(f) The Bonds shall be subject to redemption and/or tender for purchase prior to maturity or shall not be subject thereto, upon such terms and conditions as shall be determined by the Authorized Officer and confirmed in the Supplemental Order.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Paying Agent on behalf of the City. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates, CUSIP numbers, if any; certificate numbers, and in the case of partial redemption, the called amounts of each certificate; the redemption date; the redemption price or premium; the place where Bonds called for redemption are to be surrendered for payment; and that interest on Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Paying Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

Section 303. Execution, Authentication and Delivery of Bonds. The Bonds shall be executed in the name of the City by the manual or facsimile signatures of the Emergency Manager and the Finance Director of the City and authenticated by the manual signature of the Finance Director or an authorized representative of the Paying Agent, as the case may be, and a facsimile of the seal of the City shall be imprinted on the Bonds. Additional Bonds bearing the manual or facsimile signatures of the Emergency Manager or Mayor of the City and the Finance Director, and upon which the facsimile of the seal of the City is imprinted may be delivered to

the Paying Agent for authentication and delivery in connection with the exchange or transfer of Bonds. The Paying Agent shall indicate on each Bond the date of its authentication.

Section 304. Authentication of the Bonds. (a) No Bond shall be entitled to any benefit under this Order or be valid or obligatory for any purpose unless there appears on such Bond a Certificate of Authentication substantially in the form provided for in Section 307 of this Order, executed by the manual or facsimile signature of the Finance Director or by an authorized signatory of the Paying Agent by manual signature, and such certificate upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly authenticated and delivered hereunder.

(b) The Paying Agent shall manually execute the Certificate of Authentication on each Bond upon receipt of a written direction of the Authorized Officer of the City to authenticate such Bond.

Section 305. Transfer of Registration and Exchanges on the Bonds. (a) The registration of each Bond is transferable only upon the Bond Registry by the Registered Owner thereof, or by his attorney duly authorized in writing, upon the presentation and surrender thereof at the designated corporate trust office of the Paying Agent together with a written instrument of transfer satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or his attorney duly authorized in writing, and thereupon one or more fully executed and authenticated Bonds in any authorized denominations of like maturity and tenor, in equal aggregate principal amount shall be issued to the transferee in exchange therefor.

(b) Each Bond may be exchanged for one or more Bonds in equal aggregate principal amount of like maturity and tenor in one or more authorized denominations, upon the presentation and surrender thereof at the principal corporate trust office of the Paying Agent together with a written instrument of transfer satisfactory to the Paying Agent, duly executed by the Registered Owner hereof or his attorney duly authorized in writing.

Section 306. Regulations with Respect to Exchanges and Transfers. (a) In all cases in which the privilege of exchanging Bonds or transferring the registration of Bonds is exercised, the City shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Order. All Bonds surrendered in any such exchanges or transfers shall be forthwith canceled by the Paying Agent.

(b) For every exchange or transfer of Bonds, the City or the Paying Agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and, except as otherwise provided in this Order, may charge a sum sufficient to pay the costs of preparing each new Bond issued upon such exchange or transfer, which shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

(c) The Paying Agent shall not be required (i) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of the giving of a notice of redemption of Bonds selected for redemption as described in the form of Bonds contained in Section 307 of this Order and ending at the close of business on the day of

that giving of notice, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. The City shall give the Paying Agent notice of call for redemption at least 20 days prior to the date notice of redemption is to be given.

Section 307. Form of the Bonds. The Bonds shall be in substantially the following form with such insertions, omissions, substitutions and other variations as shall not be inconsistent with this Order or as approved by an Authorized Officer in the Supplemental Order:



[Forms of Bonds]

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF WAYNE

CITY OF DETROIT  
FINANCIAL RECOVERY BOND, SERIES 2014B

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
		_____, 2014	

Registered Owner:

Principal Amount: \_\_\_\_\_ Dollars

The City of Detroit, County of Wayne, State of Michigan (the "City"), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon at the Interest Rate of 4.0% per annum from the Date of Original Issue specified above until the twentieth (20<sup>th</sup>) anniversary of the Date of Original Issue, and thereafter at 6.0% per annum, until the Maturity Date specified above or until the Principal Amount specified above is paid in full. Interest is payable semiannually on April 1 and October 1 in each year commencing on \_\_\_\_\_ (each an "Interest Payment Date"). The interest so payable, and punctually paid or duly provided for, will be paid, as provided in the hereinafter defined Order, to the person in whose name this Bond is registered on the books maintained for such purpose by the hereinafter defined Paying Agent (the "Bond Registry"), on the close of business on the Regular Record Date for such interest payment, which shall be the fifteenth day (whether or not a Business Day) of the calendar month immediately preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall herewith cease to be payable to the Registered Owner on such Regular Record Date, and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Paying Agent, notice of which shall be given to Registered Owners at least seven days before such Special Record Date, or may be paid at any time in any other lawful manner. Capitalized terms used herein but not defined herein, shall have the meanings ascribed to them in the Order.

The principal of this Bond is payable in lawful money of the United States of America upon presentation and surrender of this Bond at the designated corporate trust office of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, as registrar, transfer agent and paying agent under the Order (such bank and any successor as paying agent, the "Paying Agent"). Interest on this Bond is payable in like money by check or draft drawn on the Paying Agent and mailed to the Registered Owner entitled thereto, as provided above, by first class mail



or, upon the written request of a Registered Owner of at least \$1,000,000 in aggregate principal amount of Bonds (with complete wiring instructions no later than the Regular Record Date for such Interest Payment Date), by wire transfer by the Paying Agent to such Registered Owner, and such request may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked at any time prior to a Regular Record Date by subsequent written notice to the Paying Agent. Interest shall be computed on the basis of a 360-day year consisting of twelve 30 day months. For prompt payment of this Bond, both principal and interest, the full faith, credit and resources of the City are hereby irrevocably pledged.

This bond is one of a series of bonds aggregating the principal sum of \$\_\_\_\_\_, issued under and in full compliance with the Constitution and statutes of the State of Michigan, and particularly Section 36a of Act No. 279, Public Acts of Michigan, 1909, as amended (“Act 279”), for the purpose of satisfying certain Claims, as defined in the Order. Pursuant to the Order, the bonds of this series (the “Bonds”) are limited tax general obligations of the City, and the City is obligated to levy annually ad valorem taxes on all taxable property in the Issuer, subject to applicable constitutional, statutory and charter tax rate limitations.

The “Order” is an Order of the Emergency Manager issued on \_\_\_\_\_, 2014, supplemented by a Supplemental Order of an Authorized Officer of the City issued on \_\_\_\_\_, 2014, authorizing the issuance of the Bonds.

The bonds of this series shall be subject to redemption prior to maturity as follows:

(a) *Optional Redemption.* Bonds or portions of bonds in Authorized Denominations of multiples of \$100,000 or integral multiples of \$5,000 in excess thereof are subject to redemption prior to maturity, at the option of the Issuer, in such order as the Issuer may determine, and by lot within a maturity [TO BE DETERMINED].

(b) *Mandatory Redemption.* [TO BE DETERMINED]

*General Redemption Provisions.* In case less than the full amount of an outstanding bond is called for redemption, the Trustee, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption [TO BE DETERMINED]

Reference is hereby made to the Order for the provisions with respect to the nature and extent of the security for the Bonds, the manner and enforcement of such security, the rights, duties and obligations of the City, and the rights of the Paying Agent and the Registered Owners of the Bonds. As therein provided, the Resolution may be amended in certain respects without the consent of the Registered Owners of the Bonds. A copy of the Order is on file and available for inspection at the office of the Finance Director and at the principal corporate trust office of the Paying Agent.

The City and the Paying Agent may treat and consider the person in whose name this Bond is registered on the Bond Registry as the absolute owner hereof, whether this Bond shall be

overdue or not, for the purpose of receiving payment of, or on account of, the principal hereof and interest hereon and for all other purposes whatsoever, and all such payments so made to such person or upon his order shall be valid and effectual to satisfy and discharge the liability hereon to the extent of the sum or sums so paid.

The registration of this Bond is transferable only upon the Bond Registry by the Registered Owner hereof or by his attorney duly authorized in writing upon the presentation and surrender hereof at the designated corporate trust office of the Paying Agent together with a written instrument of transfer satisfactory to the Paying Agent, duly executed by the Registered Owner hereof or his attorney duly authorized in writing, and thereupon one or more fully executed and authenticated Bonds in any authorized denominations of like maturity and tenor, in equal aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Resolution upon the payment of the charges, if any, therein prescribed.

It is hereby certified, recited and declared that all acts, conditions and things required by law to exist, happen and to be performed, precedent to and in the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of Michigan, and that the total indebtedness of the City, including the Bonds does not exceed any constitutional, statutory or charter limitation.

This Bond is not valid or obligatory for any purpose until the Paying Agent's Certificate of Authentication on this Bond has been executed by the Paying Agent.

IN WITNESS WHEREOF, the City of Detroit, by its Emergency Manager, has caused this bond to be signed in the name of the City by the facsimile signatures of its Emergency Manager and Finance Director of the City, and a facsimile of its corporate seal to be printed hereon, all as of the Date of Original Issue.

CITY OF DETROIT

By: \_\_\_\_\_  
Emergency Manager

By: \_\_\_\_\_  
Finance Director

(SEAL)

(Form of Paying Agent's Certificate of Authentication)

DATE OF AUTHENTICATION:

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Order.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, Michigan  
Paying Agent

By: \_\_\_\_\_  
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
(Please print or typewrite name and address of transferee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

\_\_\_\_\_  
NOTICE: The signature(s) to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever. When assignment is made by a guardian, trustee, executor or administrator, an officer of a corporation, or anyone in a representative capacity, proof of such person's authority to act must accompany the bond.

Signature(s) must be guaranteed by a commercial bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges. The transfer agent will not effect transfer of this bond unless the information concerning the transferee requested below is provided.

PLEASE INSERT SOCIAL  
SECURITY NUMBER OR OTHER  
IDENTIFYING NUMBER OF  
TRANSFeree.

(Insert number for first named  
transferee if held by joint account.)

Name and Address: \_\_\_\_\_

\_\_\_\_\_  
(Include information for all joint owners  
if the bond is held by joint account.)

Section 308. Registration. The City and the Paying Agent may treat and consider the Registered Owner of any Bond as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal (and premium, if any) thereof and interest thereon and for all other purposes whatsoever, and all such payments so made to such Bondowner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 309. Mutilated, Destroyed, Stolen or Lost Bonds. (a) Subject to the provisions of Act 354, Public Acts of Michigan, 1972, as amended and any other applicable law, if (i) any mutilated Bond is surrendered to the Paying Agent or the City and the Paying Agent and the City receive evidence to their satisfaction of the destruction, loss or theft of any Bond and (ii) there is delivered to the City and the Paying Agent such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the City or the Paying Agent that such Bond has been acquired by a bona fide purchaser, the City shall execute and the Paying Agent shall authenticate and deliver in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding.

(b) If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Bond, pay such Bond.

(c) Any new Bond issued pursuant to this Section in substitution for a Bond alleged to be mutilated, destroyed, stolen or lost shall constitute an original additional contractual obligation on the part of the City, and shall be equally secured by and entitled to equal proportionate benefits with all other Bonds issued under this Order.

Section 310. Book-Entry-Only System Permitted. (a) If determined by the Authorized Officer in the Supplemental Order, the Bonds shall be issued to a securities depository selected by the Authorized Officer (the "Security Depository") to be held pursuant to the book-entry-only system maintained by the Security Depository and registered in the name of the Security Depository or its nominee. Ownership interests in Bonds held under such book-entry-only system shall be determined pursuant to the procedures of the Security Depository and Article 8 of the applicable Uniform Commercial Code (such persons having such interests, "Beneficial Owners").

(b) If (i) the City and the Paying Agent receive written notice from the Security Depository to the effect that the Security Depository is unable or unwilling to discharge its responsibilities with respect to the Bonds under the book-entry-only system maintained by it or (ii) the Authorized Officer determines that it is in the best interests of the Beneficial Owners that they be able to obtain Bonds in certificated form, then the City may so notify the Security Depository and the Paying Agent, and, in either event, the City and the Paying Agent shall take appropriate steps to provide the Beneficial Owners with Bonds in certificated form to evidence their respective ownership interests in the Bonds. Whenever the Security Depository requests the City and the Paying Agent to do so, the Authorized Officer on behalf of the City and the Paying Agent will cooperate with the Security Depository in taking appropriate action after

reasonable notice to make available Bonds registered in whatever name or names the Beneficial Owners transferring or exchanging Bonds shall designate.

(c) Notwithstanding any other provision of the Order to the contrary, so long as the Bonds are held pursuant to the book-entry-only system maintained by the Security Depository:

(i) all payments with respect to the principal and interest on such Bonds and all notices with respect to such Bonds shall be made and given, respectively, to the Security Depository as provided in the representation letter from the City and the Paying Agent to the Security Depository with respect to such Bonds; and

(ii) all payments with respect to principal of the Bonds and interest on the Bonds shall be made in such manner as shall be prescribed by the Security Depository.

## **ARTICLE IV**

### **FUNDS AND ACCOUNTS**

Section 401. Establishment of Accounts and Funds. The City hereby establishes and creates the Debt Retirement Fund as a special, separate and segregated account and fund which shall be held for and on behalf of the City by a bank or banks or other financial institution which the Finance Director of the City designates as depository of the City.

The Finance Director is hereby authorized to establish such additional accounts, subaccounts or funds as shall be required for the Bonds, if any, to accommodate the requirements of such series of Bonds.

Section 402. Debt Retirement Fund. General funds of the City, proceeds of all taxes levied pursuant to Section 301 hereof [and any amounts transferred from the debt retirement funds related to the LTGO Bonds and the COPs, if any,] shall be used to pay the principal of and interest on the Bonds when due. The foregoing amounts shall be placed in the Debt Retirement Fund and held in trust by the Paying Agent, and so long as the principal of or interest on the Bonds shall remain unpaid, no moneys shall be withdrawn from the Debt Retirement Fund except to pay such principal and interest. Any amounts remaining in the Debt Retirement Fund after payment in full of the Bonds and the fees and expenses of the Paying Agent shall be retained by the City to be used for any lawful purpose.

Section 403. Investment of Monies in the Funds and Accounts. (a) The Finance Director shall direct the investment of monies on deposit in the Funds and Accounts established hereunder, and the Paying Agent, upon written direction or upon oral direction promptly confirmed in writing by the Finance Director, shall use its best efforts to invest monies on deposit in the Funds and Accounts in accordance with such direction.

(b) Monies on deposit in the Funds and Accounts may be invested in such investments and to the extent permitted by applicable law.

Section 404. Satisfaction of Claims. On the Effective Date, the City shall issue the Bonds in an amount sufficient to satisfy the Claims. An Authorized Officer shall arrange for

delivery of the Bonds to the Registered Owner to act as the Disbursing Agent to satisfy the Claims on behalf of the Claimants of each class of creditors entitled to New B Notes as provided in the Plan of Adjustment. Upon delivery of the Bonds to the Registered Owner, an Authorized Officer shall take all necessary steps to extinguish any related existing debt, including the cancellation of any related bonds or notes of the City representing portions of the Claims.

## **ARTICLE V**

### **THE PAYING AGENT**

Section 501. Paying Agent. The Paying Agent for the Bonds shall act as bond registrar, transfer agent and paying agent for the Bonds and shall be initially \_\_\_\_\_, Detroit, Michigan, or such other bank or trust company located in the State which is qualified to act in such capacity under the laws of the United States of America or the State. The Paying Agent means and includes any company into which the Paying Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Paying Agent may sell or transfer all or substantially all of its corporate trust business, provided, that such company shall be a trust company or bank which is qualified to be a successor to the Paying Agent as determined by an Authorized Officer, shall be authorized by law to perform all the duties imposed upon it by this Order, and shall be the successor to the Paying Agent without the execution or filing of any paper or the performance of any further act, anything herein to the contrary notwithstanding. An Authorized Officer is authorized to enter into an agreement with such a bank or trust company, and from time to time as required, may designate a similarly qualified successor Paying Agent and enter into an agreement therewith for such services.

## **ARTICLE VI**

### **SUPPLEMENTAL ORDERS AND RESOLUTIONS**

Section 601. Supplemental Orders and Resolutions Not Requiring Consent of Holders of the Bonds. The City may without the consent of any Bondowner adopt orders or resolutions supplemental to this Order for any one or more of the following purposes:

- (i) to confirm or further assure the security hereof or to grant or pledge to the holders of the Bonds any additional security;
- (ii) to add additional covenants and agreements of the City for the purposes of further securing the payment of the Bonds;
- (iii) to cure any ambiguity or formal defect or omission in this Order; and
- (iv) such other action not materially, adversely and directly affecting the security of the Bonds.



provided that (A) no supplemental order or resolution amending or modifying the rights or obligations of the Paying Agent shall become effective without the consent of the Paying Agent and (B) the effectiveness of any supplemental resolution is subject to Section 702 to the extent applicable.

Section 602. Opinion and Filing Under Act 34. Before any supplemental order or resolution under this Article shall become effective, a copy thereof shall be filed with the Paying Agent, together with an opinion of Bond Counsel that such supplemental order or resolution is authorized or permitted by this Article; provided that, Bond Counsel in rendering any such opinion shall be entitled to rely upon certificates of an Authorized Officer or other City official, and opinions or reports of consultants, experts and other professionals retained by the City to advise it, with respect to the presence or absence of facts relative to such opinion and the consequences of such facts.

## **ARTICLE VII**

### **DEFEASANCE**

Section 701. Defeasance. Bonds shall be deemed to be paid in full upon the deposit in trust of cash or direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, or any combination thereof, not redeemable at the option of the issuer thereof, the principal and interest payments upon which, without reinvestment thereof, will come due at such times and in such amounts, as to be fully sufficient to pay when due, the principal of such Bonds and interest to accrue thereon, as confirmed by a verification report prepared by an independent certified public accountant; provided, that if any of such Bonds are to be called for redemption prior to maturity, irrevocable instructions to call such Bonds for redemption shall be given to the Paying Agent. Such cash and securities representing such obligations shall be deposited with a bank or trust company and held for the exclusive benefit of the Owners of such Bonds. After such deposit, such Bonds shall no longer be entitled to the benefits of this Order (except for any rights of transfer or exchange of Bonds as therein or herein provided for) and shall be payable solely from the funds deposited for such purpose and investment earnings, if any, thereon, and the lien of this Order for the benefit of such Bonds shall be discharged.

## **ARTICLE VIII**

### **OTHER PROVISIONS OF GENERAL APPLICATION**

[Section 801. Credit Enhancement. (a) There is hereby authorized to be obtained municipal bond insurance or other credit enhancement or a combination thereof to secure the payment of all or part of the Bonds, if, and provided that, it shall be determined by an Authorized Officer that obtaining such Municipal Bond Insurance Policy or other credit enhancement or a combination thereof is in the best interest of the City. Such municipal bond insurance or other credit enhancement providers may be afforded certain rights and remedies to direct the proceedings with respect to the enforcement of payment of the Bonds as shall be provided in the documents relating thereto. In the event a commitment for a Municipal Bond Insurance Policy is obtained or a commitment for other credit enhancement is obtained, an Authorized Officer is



hereby authorized, to approve the terms, perform such acts and execute such instruments that shall be required, necessary or desirable to effectuate the terms of such commitment and the transactions described therein and in this Order and the Supplemental Order provided that such terms are not materially adverse to the City.

(b) In connection with the execution of any of the agreements authorized by this Section, an Authorized Officer is authorized to include therein such covenants as shall be appropriate.]

Section 802. Approval of Other Documents and Actions. The Mayor, the Finance Director, the Treasurer, the City Clerk and any written designee of the Emergency Manager are each hereby authorized and directed on behalf of the City to take any and all other actions, perform any and all acts and execute any and all documents that shall be required, necessary or desirable to implement this Order.

Section 803. Delegation of City to, and Authorization of Actions of Authorized Officers.  
(a) Each Authorized Officer is hereby authorized and directed to do and perform any and all acts and things with respect to the Bonds which are necessary and appropriate to carry into effect, consistent with this Order, the authorizations therein and herein contained, including without limitation, the securing of ratings by bond rating agencies, if cost effective, the negotiation for and acquisition of bond insurance and/or other credit enhancement, if any, to further secure the Bonds or any portions thereof, the acquisition of an irrevocable surety bond to fulfill the City's obligation to fund any reserve account, the printing of the Bonds and the incurring and paying of reasonable fees, costs and expenses incidental to the foregoing and other costs of issuance of the Bonds including, but not limited to fees and expenses of bond counsel, financial advisors, accountants and others, from Bond proceeds or other available funds, for and on behalf of the City.

(b) Except as otherwise provided herein, all determinations and decisions of the Authorized Officer with respect to the issuance and sale of the Bonds or the negotiation, execution or delivery of agreements as permitted or required by this Order shall be confirmed by this Authorized Officer in a Supplemental Order or Supplemental Orders, and such confirmations shall constitute determinations that any conditions precedent to such determinations and decisions of the Authorized Officer have been fulfilled.

Section 804. Approving Legal Opinions with Respect to the Bonds. Delivery of the Bonds shall be conditioned upon receiving, at the time of delivery of the Bonds; the approving opinion of Bond Counsel, approving legality of the Bonds.

Section 805. Appointment of Bond Counsel; Engagement of Other Parties. The appointment by the Emergency Manager of the law firm of Miller, Canfield, Paddock and Stone, P.L.C. of Detroit, Michigan, as Bond Counsel for the Bonds is hereby ratified and confirmed, notwithstanding the periodic representation by Miller, Canfield, Paddock and Stone, P.L.C., in unrelated matters of other parties and potential parties to the issuance of the Bonds. The fees and expenses of Miller, Canfield, Paddock and Stone, P.L.C. as Bond Counsel and other accumulated bond related fees and expenses shall be payable from available funds in accordance with the agreement of such firm on file with the Finance Director.

Section 806. Preservation of Records. So long as any Bond remains Outstanding, all documents received by the Paying Agent under the provisions of this Order shall be retained in its possession and shall be subject at all reasonable times to the inspection of the City, and the Bondowners, and their agents and representatives, any of whom may make copies thereof.

Section 807. Parties in Interest. Nothing in this Order, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, the Paying Agent and the Owners of the Bonds, any right, remedy or claim under or by reason of this Order or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Order contained by and on behalf of the City or Paying Agent shall be for the sole and exclusive benefit of the City, the Paying Agent and the Bondowners.

Section 808. No Recourse Under Resolution. All covenants, agreements and obligations of the City contained in this Order shall be deemed to be the covenants, agreements and obligations of the City and not of any councilperson, member, officer or employee of the City in his or her individual capacity, and no recourse shall be had for the payment of the principal or interest on the Bonds or for any claim based thereon or on this Order against any councilperson, member, officer or employee of the City or any person executing the Bonds in his or her official individual capacity.

Section 809. Severability. If any one or more sections, clauses or provisions of this Order shall be determined by a court of competent jurisdiction to be invalid or ineffective for any reason, such determination shall in no way affect the validity and effectiveness of the remaining sections, clauses and provisions hereof.

Section 810. Cover Page, Table of Contents and Article and Section Headings. The cover page, table of contents and Article and Section headings hereof are solely for convenience of reference and do not constitute a part of this Order, and none of them shall affect its meaning, construction or effect.

Section 811. Conflict. All resolutions or parts of resolutions or other proceedings of the City in conflict herewith shall be and the same hereby are repealed insofar as such conflict exists.

Section 812. Governing Law and Jurisdiction. This Order shall be governed by and construed in accordance with the laws of the State.

Section 813. Order and Supplemental Order are a Contract. The provisions of this Order and the Supplemental Order shall constitute a contract between the City, the Paying Agent, the Bond Insurer and the Bondowners.

Section 814. Effective Date. This Order shall take effect immediately upon its adoption by the Council.

Section 815. Notices. All notices and other communications hereunder shall be in writing and given by United States certified or registered mail, expedited courier overnight delivery service or by other means (including facsimile transmission) that provides a written record of such notice and its receipt. Notices hereunder shall be effective when received and

shall be addressed to the address set forth below or to such other address as any of the below persons shall specify to the other persons:

If to the City, to:

City of Detroit  
Finance Department  
1200 Coleman A. Young Municipal Center  
Detroit, Michigan 48226  
Attention: Finance Director

If to the Paying Agent, to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

SO ORDERED this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Kevyn D. Orr  
Emergency Manager  
City of Detroit, Michigan

22096296.4\022765-00202

**EXHIBIT I.A.186**

NEW DWSD BONDS  
SUMMARY OF PRINCIPAL TERMS

**NEW DWSD BONDS**  
**SUMMARY OF PRINCIPAL TERMS<sup>1</sup>**

On the Effective Date, the City shall issue the New DWSD Bonds and distribute them as set forth in the Plan. The definitive documentation governing the New DWSD Bonds shall provide generally for the following terms:

Principal	The principal shall be equal to (i) the amount of DWSD Bonds receiving New DWSD Bonds, plus (ii) amounts necessary to pay expenses of the financing, plus (iii) at the City's option, an amount equal to accrued and unpaid interest as of the first Distribution Date following the date on which the applicable DWSD Bond Claim is Allowed.
Interest Rate	The interest rate of the New DWSD Bonds shall be calculated by reference to the Interest Rate Reset Chart attached as Exhibit I.A.159 to the Plan.
Maturity Dates	The maturity date(s) of the New DWSD Bonds shall be the same as the existing maturity(ies) of each CUSIP of DWSD Bonds receiving New DWSD Bonds.
Prepayment	The City may prepay or redeem all or any portion of the New DWSD Bonds issued to a holder of DWSD Bonds at any time on or after the earlier of (i) the date that is five years after the date such New DWSD Bonds are issued or (ii) the date upon which the DWSD Bonds for which such New DWSD Bonds were exchanged pursuant to the Plan would have matured.
Other Terms	The New DWSD Bonds otherwise shall have the same terms and conditions as the applicable CUSIP of DWSD Bonds receiving New DWSD Bonds.

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meaning given to them in the Plan.

**EXHIBIT I.A.188**

NEW EXISTING RATE DWSD BONDS  
SUMMARY OF PRINCIPAL TERMS

**NEW EXISTING RATE DWSD BONDS**  
**SUMMARY OF PRINCIPAL TERMS<sup>1</sup>**

On the Effective Date, the City shall issue the New Existing Rate DWSD Bonds and distribute them as set forth in the Plan. The definitive documentation governing the New Existing Rate DWSD Bonds shall provide generally for the following terms:

Principal	The principal of the New Existing Rate DWSD Bonds shall be equal to (i) the amount of DWSD Bonds receiving New Existing Rate DWSD Bonds, plus (ii) amounts necessary to pay expenses of the financing, plus (iii) at the City's option, an amount equal to accrued and unpaid interest as of the first Distribution Date following the date on which the applicable DWSD Bond Claim is Allowed.
Interest Rate	The interest rate(s) of the New Existing Rate DWSD Bonds shall be the same as existing interest rates of each CUSIP of DWSD Bonds receiving New Existing Rate DWSD Bonds.
Maturity Dates	The maturity date(s) of the New Existing Rate DWSD Bonds shall be the same as the existing maturity(ies) of each CUSIP of DWSD Bonds receiving New Existing Rate DWSD Bonds.
Prepayment	The City may prepay or redeem all or any portion of the New Existing Rate DWSD Bonds at any time at its option and without penalty or premium.
Other Terms	The New Existing Rate DWSD Bonds otherwise shall have the same terms and conditions as the applicable CUSIP of DWSD Bonds receiving New Existing Rate DWSD Bonds.

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meaning given to them in the Plan.

**EXHIBIT I.A.189.b**

PRINCIPAL TERMS OF NEW GRS ACTIVE PENSION PLAN



## **NEW GRS ACTIVE PENSION PLAN -- MATERIAL TERMS**

1. Benefit Formula:  $FAC$  (average base compensation over last 10 consecutive years of employment)  $\times$  Years of Service  $\times$  1.5%. If an employee had leave of not less than 2 months without pay under the Family and Medical Leave Act in the last 2 years of employment, such employee's  $FAC$  will be determined using the highest 10 consecutive years of base compensation over the last 12 consecutive years of employment. Average base compensation means no overtime, no unused sick leave, no longevity or any other form of bonus.
2. Actual time for accrual is actual time served. For vesting and eligibility, 1,000 hours for a year of service.
3. Normal Retirement Age – age 62 with a transition period for active employees as of June 30, 2014 as follows:

<u>Age as of July 1, 2014</u>	<u>Normal Retirement Age</u>
61 years	60 years
60 years	60 years
59 years	60.3 years
58 years	60.6 years
57 years	60.9 years
56 years	61.0 years
55 years	61.3 years
54 years	61.6 years
53 years	61.9 years
52 years	62 years

4. 10 Years of Service for vesting.
5. Early retirement -- Eligible at 55 & 30 years of service, with true actuarial reduction. No pension payments allowed below age 55; terminated employees must wait until 62.
6. Deferred Vested -- 10 Years payable at 62.
7. Disability -- to be provided by commercial insurance until normal retirement age. In applying the formula for an age 62 pension, a disabled employee will be credited with service for the period of long-term disability leave.
8. Annuity Savings Fund - voluntary Annuity Savings Fund contributions equal to 3%, 5% or 7% of after-tax pay. Interest will be credited at the actual net investment rate of return for GRS, but will in no event be lower than 0% or higher than 5.25%. No in-service withdrawals permitted.

9. Investment Return/Discount Rate – 6.75%
10. COLA - Variable COLA benefit payable after the hybrid plan has been in effect for 4 full plan years, provided that the funding level is above 100%. A simple 2% COLA on hybrid benefit. Retirees become eligible for a COLA only for plan years after the retiree reaches age 62 and has been retired for a minimum of 12 months.
11. Contributions - Employer contribution of 5% of the base compensation of eligible employees. A portion of such contribution is used to fund normal cost and a portion is credited to a rate stabilization fund. Employees contribute 4% of base compensation toward normal cost.
12. If the funding level is below 100% (based on 3 year look back of smoothed returns), the plan's risk-shifting levers listed below will be applied in the listed order, until the actuary can state that by virtue of the use of levers, and a 6.75% discount rate and return assumption, the funding level is projected to be 100% on a market value basis within the next 5 years.
  - (a) No COLAs will be paid;
  - (b) Amounts credited to the rate stabilization fund will be used to fund accrued benefits; and
  - (c) Employee contributions to the hybrid will increase by 1% to 5% of base compensation for up to a 5 year period.

If the funding level is below 80% (without taking into account the use of rate stabilization funds and the 1% increase in employee contributions):

- (d) The steps taken in (a), (b) and (c) above will be continued;
- (e) The most recently awarded COLA is rescinded (i.e., Members' future benefit payments will be not include that COLA);
- (f) Employee contributions to the hybrid will increase to 6% of base compensation for up to a 5 year period;
- (g) The second most recently awarded COLA is rescinded; and
- (h) The benefit accrual rate is decreased from 1.5% to 1% for up to 5 years.

**EXHIBIT I.A.191.b**

PRINCIPAL TERMS OF NEW PFRS ACTIVE PENSION PLAN

## **NEW PFRS ACTIVE PENSION PLAN -- MATERIAL TERMS**

1. Benefit Formula:
  - a. Detroit Fire Fighters Association Employees
    - i.  $\text{FAC (average base compensation over last 10 consecutive years of employment)} \times \text{Years of Service earned after June 30, 2014} \times 2.0\%$ .  
Average base compensation means no overtime, no unused sick leave, no longevity or any other form of bonus – just employee's base salary.
  - b. Detroit Police Command Officers Association Employees
    - i.  $\text{FAC (average base compensation over last 5 consecutive years of employment)} \times \text{Years of Service earned after June 30, 2014} \times 2.0\%$ .  
Average base compensation means no overtime, no unused sick leave, no longevity or any other form of bonus – just employee's base salary.
  - c. Detroit Police Officers Association Employees
    - i.  $\text{FAC (average base compensation over last 10 consecutive years of employment)} \times \text{Years of Service earned after June 30, 2014} \times 2.0\%$ .  
Average base compensation means no overtime, no unused sick leave, no longevity or any other form of bonus – just employee's base salary.
  - d. Detroit Police Lieutenants and Sergeants Association Employees
    - i.  $\text{FAC (average base compensation over last 5 consecutive years of employment)} \times \text{Years of Service earned after June 30, 2014} \times 2.0\%$ .  
Average base compensation means no overtime, no unused sick leave, no longevity or any other form of bonus – just employee's base salary.
2. Actual time for benefit accrual is actual time served. For vesting service, 1,000 hours in a 12 month period to earn a year of service.
3. Normal Retirement Age
  - a. Detroit Fire Fighters Association Employees
    - i. age 52 with 25 years of service
  - b. Detroit Police Command Officers Association Employees
    - i. age 50 with 25 years of service, with 5 year transition period to be determined by the City
  - c. Detroit Police Officers Association Employees
    - i. age 52 with 25 years of service
  - d. Detroit Police Lieutenants and Sergeants Association Employees
    - i. age 50 with 25 years of service, with the following 5 year transition period:

Fiscal Year  
2015

Age and Service  
Age 43 and 20 years

2016	Age 43 and 20 years
2017	Age 44 and 21 years
2018	Age 45 and 22 years
2019	Age 46 and 23 years
2020	Age 47 and 24 years
2021 and thereafter	Age 50 and 25 years

4. 10 Years of Service for vesting.
5. Deferred vested pension -- 10 years of service and age 55.
6. Duty Disability - consistent with current PFRS
7. Non-Duty Disability – consistent with current PFRS
8. Non-Duty Death Benefit for Surviving Spouse – consistent with current PFRS
9. Duty Death Benefit for Surviving Spouse – consistent with current PFRS
10. COLA
  - a. Detroit Fire Fighters Association Employees
    - i. no COLA
  - b. Detroit Police Command Officers Association Employees
    - i. 1% compounded, variable
  - c. Detroit Police Officers Association Employees
    - i. no COLA
  - d. Detroit Police Lieutenants and Sergeants Association Employees
    - i. 1% compounded, variable
11. DROP Accounts
  - a. Detroit Fire Fighters Association Employees
    - i. no future payments into DROP.
  - b. Detroit Police Command Officers Association Employees
    - i. available for existing and future accrued benefits for employees who are eligible to retire under concurrent eligibility requirements. No more than 5 years of DROP participation for employees not already in DROP. DROP accounts will be managed by the PFRS instead of ING, if administratively and legally feasible. If managed by PFRS, interest will be credited to DROP accounts at a rate equal to 75% of the actual net investment return of PFRS, but in no event lower than 0% or higher than 7.75%.

- c. Detroit Police Officers Association Employees
    - i. no future payments into DROP.
  - d. Detroit Police Lieutenants and Sergeants Association Employees
    - i. available for existing and future accrued benefits for employees who are eligible to retire under concurrent eligibility requirements. No more than 5 years of DROP participation for employees not already in DROP. DROP accounts will be managed by the PFRS instead of ING, if administratively and legally feasible. If managed by PFRS, interest will be credited to DROP accounts at a rate equal to 75% of the actual net investment return of PFRS, but in no event lower than 0% or higher than 7.75%.
- 12. Annuity Savings Fund
  - a. Detroit Fire Fighters Association Employees
    - i. no future Annuity Savings Fund contributions.
  - b. Detroit Police Command Officers Association Employees
    - i. voluntary Annuity Savings Fund contributions up to 10% of after-tax pay. Interest will be credited at the actual net investment rate of return for PFRS, but will in no event be lower than 0% or higher than 5.25%. No in-service withdrawals permitted.
  - c. Detroit Police Officers Association Employees
    - i. no future Annuity Savings Fund contributions.
  - d. Detroit Police Lieutenants and Sergeants Association Employees
    - i. voluntary Annuity Savings Fund contributions up to 10% of after-tax pay. Interest will be credited at the actual net investment rate of return for PFRS, but will in no event be lower than 0% or higher than 5.25%. No in-service withdrawals permitted.
- 13. Investment Return/Discount rate – 6.75%
- 14. City Contributions
  - a. Detroit Fire Fighters Association Employees
    - i. 11.2% of the base compensation of eligible employees. A portion of such contribution (not less than 1% of base compensation) will be credited to a rate stabilization fund.
  - b. Detroit Police Command Officers Association Employees
    - i. 12.25% of the base compensation of eligible employees. A portion of such contribution will be credited to a rate stabilization fund.

- c. Detroit Police Officers Association Employees
    - i. 11.2% of the base compensation of eligible employees. A portion of such contribution (not less than 1% of base compensation) will be credited to a rate stabilization fund.
  - d. Detroit Police Lieutenants and Sergeants Association Employees
    - i. 12.25% of the base compensation of eligible employees. A portion of such contribution will be credited to a rate stabilization fund.
15. Employee Contributions – Employees hired before July 1, 2014 (current actives) will contribute 6% of base compensation (pre-risk shifting); employees hired on or after July 1, 2014 (new employees) will contribute 8% of base compensation (pre-risk shifting). Maximum employee contributions of 10% (current actives) and 12% (new employees).
16. Risk Shifting:
- a. If the funding level is less than 90% (using the fair market value of assets), COLAs will be eliminated (to the extent applicable).
  - b. If the funding level is 90% or lower (using the fair market value of assets and a 3-year look back period), the following corrective actions will be taken in the order listed below, until the actuary can state that by virtue of the use of corrective action, and a 6.75% discount rate and return assumption, the funding level is projected to be 100% on a market value basis within the next 5 years:
    - i. eliminate COLAs (if applicable);
    - ii. use amounts credited to the rate stabilization fund to fund accrued benefits;
    - iii. increase employee contributions by 1% per year (6% to 7% for current actives and 8% to 9% for new employees) for up to 5 years;
    - iv. increase employee contributions (active and new employees) by an additional 1% per year;
    - v. increase employee contributions (active and new employees) by an additional 1% per year;
    - vi. implement a 1 year COLA fallback;
    - vii. implement a second 1 year COLA fallback;
    - viii. increase employee contributions by an additional 1% per year; and
    - ix. increase City contributions consistent with applicable actuarial principles and PERSIA.

**EXHIBIT I.A.214**

FORM OF PLAN COP SETTLEMENT DOCUMENTS



## **Plan COP Settlement**

This Plan COP Settlement is made and entered into as of the date that the City of Detroit (the “City”) received from the beneficial holder of certain (a) Detroit Retirement Systems Funding Trust 2005 Certificates of Participation Series 2005-A, issued by the Detroit Retirement Systems Funding Trust 2005 pursuant to the 2005 COPs Agreement, in an initial principal amount of \$640 million, bearing interest at 4.0% to 4.948%, and/or (b) the (i) Detroit Retirement Systems Funding Trust 2006 Certificates of Participation Series 2006-A, issued by the Detroit Retirement Systems Funding Trust 2006 pursuant to the 2006 COPs Agreement, in an initial principal amount of \$148.5 million, bearing interest at 5.989%; and (ii) Detroit Retirement Systems Funding Trust 2006 Certificates of Participation Series 2006-B, issued by the Detroit Retirement Systems Funding Trust 2006 pursuant to the 2006 COPs Agreement, in an initial principal amount of \$800 million, bearing interest at a floating rate (collectively, the “COPs”) (such beneficial holder, a “Settling COP Claimant”) a timely-returned Ballot (a) accepting the SECOND AMENDED PLAN FOR THE ADJUSTMENT OF DEBTS OF THE CITY OF DETROIT (April 15, 2014) (as it has been or may be further modified, supplemented or amended, the “Plan”) and (b) electing to participate in this Plan COP Settlement. The City and the Settling COP Claimant shall each be referred to individually as a “Party” and collectively as the “Parties.” Capitalized terms used herein, but not otherwise defined, have the meaning ascribed to such terms in the Plan.

### **RECITALS:**

WHEREAS, pursuant to City Ordinance No. 05-05, the City organized the Detroit General Retirement System Service Corporation and the Detroit Police and Fire Retirement System Service Corporation (collectively, the “COP Service Corporations”);

WHEREAS, the City is party to the (a) the GRS Service Contract 2005, dated May 25, 2005, by and between the City and the Detroit General Retirement System Service Corporation; (b) the PFRS Service Contract 2005, dated May 25, 2005, by and between the City and the Detroit Police and Fire Retirement System Service Corporation; (c) the GRS Service Contract 2006, dated June 7, 2006, by and between the City and the Detroit General Retirement System Service Corporation; and (d) the PFRS Service Contract 2006, dated June 7, 2006, by and between the City and the Detroit Police and Fire Retirement System Service Corporation, as each of the foregoing may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments (collectively, the “COP Service Contracts”);

WHEREAS, the Detroit Retirement Systems Funding Trust 2005 and Detroit Retirement Systems Funding Trust 2006 (collectively, the “Funding Trusts”) were formed pursuant to (a) the Trust Agreement by and between the COP Service Corporations and U.S. Bank National Association, as trustee, dated June 2, 2005, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments (the “2005 COPs Agreement”), and (b) the Trust Agreement by and between the COP Service

Corporations and U.S. Bank National Association, as trustee, dated June 12, 2006, as the same may have been subsequently amended, restated, supplemented or otherwise modified, together with all ancillary and related instruments (the "2006 COPs Agreement"), respectively;

WHEREAS, pursuant to the 2005 COPs Agreement and 2006 COPs Agreement, the COP Service Corporations made an absolute transfer of all of their rights to receive certain payments from the City under their respective COP Service Contracts to the Funding Trusts;

WHEREAS, the City filed a petition for bankruptcy under chapter 9 of the Bankruptcy Code, 11 U.S.C. § 901, et seq., on July 18, 2013;

WHEREAS, the City filed the adversary proceeding captioned as *City of Detroit, Michigan v. Detroit General Retirement System Service Corporation, Detroit Police and Fire Retirement System Service Corporation, Detroit Retirement Systems Funding Trust 2005 and Detroit Retirement Systems Funding Trust 2006*, Case No. 14-04112 (Bankr. E.D. Mich.), in the Chapter 9 Case on January 31, 2014 (the "COP Litigation"); and

WHEREAS, the City and the Settling COP Claimant desire to compromise certain COP Claims as set forth herein and in the timely-returned Ballot.

WHEREAS, this Plan COP Settlement is intended to set forth the terms and conditions of the settlement agreed to by the Parties hereto;

NOW, THEREFORE, in consideration of the recitals set forth above and promises made herein, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

## **Section 1. Allowance & Distribution**

(a) For purposes of this Plan COP Settlement, "COP Claims" shall mean a Claim under, resulting from, or evidenced by the COP Service Contracts, including any Claim against the City for any act, omission, or representation (however described) arising from or relating to the (i) issuance, offering, underwriting, purchase, sale, ownership or trading of COPs, (ii) the COP Service Contracts, (iii) the 2005 COPs Agreement or 2006 COPs Agreement, (iv) the Funding Trusts, (v) the allegations that have been made or could have been made by the City or any other person in the COP Litigation or (vi) any policy of insurance relating to the COPs.

(b) The Settling COP Claimant[, on behalf of itself and its Affiliates,] shall have its COP Claims deemed to be Allowed Claims in an amount equal to 40% of the aggregate unpaid principal amount of COPs held by such Settling COP Claimant as reflected on the timely-returned Ballot submitted by or on behalf of such Settling COP Claimant and shall receive, on or as soon as reasonably practicable after the Effective Date, an Unsecured Pro Rata Share of New B Notes pursuant to Section II.B.3.p.iii.A of the Plan.

## **Section 2. Full Satisfaction, No Double-Recovery**

(a) Full Satisfaction. The allowance and distribution provided in Section 1 hereof shall be in full satisfaction, settlement, release and discharge of, and in exchange for, such COP Claims.

(b) No Double-Recovery. To the extent any party has filed or files a proof of claim against the City on behalf of the Settling COP Claimant or any of its Affiliates relating to the COP Claims subject to this Plan COP Settlement, the Settling COP Claimant agrees to return to the City any funds received by it or its Affiliates from the City on account of such proof of claim.

## **Section 3. Representations.**

(a) The Settling COP Claimant represents and warrants to the City that (i) this Plan COP Settlement has been duly executed and delivered and constitutes a valid and binding obligation of such Party, enforceable against such Party in accordance with the terms hereof, (ii) it is not relying upon any statements, understandings, representations, expectations or agreements other than those expressly set forth in this Plan COP Settlement, (iii) it has had the opportunity to be represented and advised by legal counsel in connection with this Plan COP Settlement, which it enters voluntarily and of its own choice and not under coercion or duress, (iv) it has made its own investigation of the facts and is relying upon its own knowledge and the advice of its counsel and (v) it knowingly waives any and all claims that this Plan COP Settlement was induced by any misrepresentation or non-disclosure and knowingly waives any and all rights to rescind or avoid this Plan COP Settlement based upon presently existing facts, known or unknown. These representations and warranties shall survive the execution of this Plan COP Settlement indefinitely without regard to statutes of limitations.

(b) The Settling COP Claimant represents and warrants that the certifications set forth in the timely-returned Ballot are true and correct as of the date hereof.

(c) The Settling COP Claimant agrees and stipulates that the City is relying upon the representations and warranties in this Section in entering into the Plan COP Settlement. Furthermore, the Settling COP Claimant agrees that these representations and warranties are a material inducement for the City in entering into this Plan COP Settlement.

## **Section 4. Plan.**

(a) Entire Agreement. This Plan COP Settlement shall constitute and form a part of the Plan. The failure to specifically describe or reference in this Plan COP Settlement any particular provision of the Plan shall not diminish or impair the effectiveness of any such provision.

(b) Effectiveness. This Plan COP Settlement is expressly conditioned upon and shall only become effective upon the occurrence of the Effective Date.

(c) Inconsistency. In the event and to the extent that any provision of the Plan is inconsistent with the provisions of this Plan COP Settlement, the provisions of the Plan shall control and take precedence.

(d) Governing Law. This Plan COP Settlement will be governed by and construed in accordance with the “Governing Law” and “Retention of Jurisdiction” provisions of the Plan.

## **Section 5. No Third Party Rights.**

Nothing herein shall be deemed to affect or impair any rights of the City or the Settling COP Claimant against any person or entity not included as a Party hereto. This Plan COP Settlement grants no rights to any third party.

## **Section 6. Intervention Rights**

The Settling COP Claimant hereby waives any right it may have to seek to intervene, appear, support or otherwise participate in the COP Litigation.

## **Section 7. Miscellaneous.**

(a) Binding Obligation; Successors and Assigns. This Plan COP Settlement is a legally valid and binding obligation of the Parties, enforceable in accordance with its terms, and will inure to the benefit of the Parties and their respective successors, assigns and transferees.

(b) Headings. The headings of all sections of this Plan COP Settlement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit, or aid in the construction or interpretation of any term or provision hereof.

(c) Execution in Counterparts. This Plan COP Settlement may be executed in any number of counterparts and by different Parties in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page by facsimile or PDF transmission shall be as effective as delivery of a manually executed counterpart.

IN WITNESS WHEREOF, the undersigned have executed, or have caused to be executed, this Plan COP Settlement on the date first written above.

**EXHIBIT I.A.236**

RETIREE HEALTH CARE SETTLEMENT AGREEMENT

## SETTLEMENT AGREEMENT

Plaintiffs, the Official Committee of Retirees of the City of Detroit, Michigan (the “Committee”), Detroit Retired City Employees Association, Retired Detroit Police and Fire Fighters Association, and AFSCME Sub-Chapter 98, City of Detroit Retirees (collectively with the Committee, the “Plaintiffs”) and Defendants, the City of Detroit, Michigan (the “City”) and Kevyn Orr, individually and in his official capacity as Emergency Manager of the City of Detroit, Michigan (collectively with the City, the “Defendants”), hereby enter into this Settlement Agreement as of the 14<sup>th</sup> day of February, 2014 (the “Agreement”), which contains the following terms:

### I. GENERAL PROVISIONS

1. **Agreement Modifies March 1, 2014 Plan.** The City agrees to make the changes listed in Part II herein to the City of Detroit Retiree Health Care Plan for the period March 1, 2014 through December 31, 2014. The changes enumerated in Part II are modifications to the City of Detroit Retiree Health Care Plan described in the 2014 Health Care Plan Options Booklet (“Booklet”) distributed approximately January 2, 2014. These modifications are premised on the terms summarized in the Booklet going into effect on March 1, 2014, subject only to the modifications set forth in this Agreement, which resolves the Plaintiffs’ claims in Adversary Proceeding No. 14-04015 (the “Adversary Proceeding”).

2. **Modifications Will Not Decrease Benefits Offered in March 1, 2014 Plan.** None of the modifications in Part II reduces or eliminates any of the benefits in the City of Detroit Retiree Health Care Plan for the period March 1, 2014 through December 31, 2014 as described in the Booklet, except as specified in Part II(4)(a) and (b) below.

3. **Effective Date of Plan Modifications.** The modifications listed in Part II of this Agreement shall be effective with the beginning of the plan on March 1, 2014 unless otherwise noted in the Agreement.

4. **Aggregate Caps.** Unless specifically noted below, there is no cap on the amount that the City will spend to fulfill the modifications listed in Part II. For the two modifications listed in Part II(3)(a)/(b) and (d)/(e) that expressly include capped funds of \$2,500,000 and \$3,000,000, respectively, the City shall aggregate those caps to a total of \$5,500,000 such that if one capped fund is exhausted the City must draw from the other capped fund to the extent that the other capped fund has not been exhausted.

5. **Conditions on Agreement.** This Agreement, and the additional benefits set forth herein, are conditioned upon the City receiving debtor in possession financing that can be used for quality of life purposes on or before May 1, 2014 (the “DIP”). In the event the DIP is not in effect on or before May 1, 2014 and the City is unable to otherwise perform under this



Agreement, this Agreement shall be null and void and the parties shall be returned to their respective positions.

## **II. MODIFICATIONS TO THE CITY'S RETIREE HEALTH CARE PLAN FOR THE PERIOD MARCH 1, 2014 THROUGH DECEMBER 31, 2014**

### **1. Modification of Dental and Vision Coverage.**

- (a) **Dental Coverage.** The City will make available an additional dental benefits option in addition to the dental benefits coverage option described in the Booklet. The additional option will be offered by Golden Dental Inc. ("Golden"). The premium charged for this group coverage option will be no greater than \$23.73 per month for single coverage, \$38.83 per month for two-person coverage, and \$57.17 per month for family coverage, and the benefits will be as described in Exhibit 1 hereto; provided, however, that the amount charged to the retiree shall be increased to include an additional administrative charge, which administrative charge shall not exceed 20% of the applicable premium. The enrolling retiree will be fully responsible to pay the premium associated with this dental option, including the additional administrative charge, and the City shall allow the retirees to utilize the pension reduction feature for payment of the monthly premium. The City will use Reasonable Efforts to have such coverage effective June 1, 2014, including taking Reasonable Efforts to notify retirees by mail of this option as soon as practicable, and taking Reasonable Efforts to minimize the administrative charge. Reasonable Efforts, as used in this Agreement, requires the City to use good faith and reasonable diligence in light of its capabilities.
- (b) **Vision Coverage.** The City will make available an additional vision benefits option in addition to the vision benefits coverage option described in the Booklet. The additional option will be offered by Heritage Vision Plans, Inc. ("Heritage"). The premium for this group coverage option will be no greater than \$6.95 per month for single coverage and \$13.75 per month for 2 or more person coverage; provided, however, that the amount charged to the retiree shall be increased to include an additional administrative charge, which administrative charge shall not exceed 20% of the applicable premium. The option shall be a national network vision option similar to the option that the City provides to active employees. The enrolling retiree will be fully responsible to pay the premium associated with this vision option, including the additional administrative charge, and the City shall allow the retirees to utilize the pension reduction feature for payment of the monthly premium. The City will use Reasonable Efforts to have such coverage effective June 1, 2014, including taking Reasonable Efforts to notify retirees by mail of this option as soon as practicable, and taking Reasonable Efforts to minimize the administrative charge.

### **2. Modifications for Retirees Eligible for Medicare.**

- (a) **Extension of Enrollment Deadline to Opt Out of Medicare Advantage Plan Coverage.** For retirees of the City who are enrolled in Medicare and receive

coverage under a City-sponsored Medicare Advantage Plan through February 28, 2014, the date to opt out of such coverage was extended to February 7, 2014. Such retirees may opt out by hand delivery (no later than close of business February 7) or first-class mail delivery (post-marked on or before February 7) of the designated opt out form to the City Benefits Administration Office at Suite 1026, 2 Woodward Avenue, Detroit MI 48226. Retirees were permitted to request the designated opt out form by calling the City's Benefit Administration Customer Service Line or contacting the City Benefits Administration Office at the address above. The City will use Reasonable Efforts to process any such opt outs for which it receives timely notice in a manner so as to eliminate such Medicare Advantage Plan coverage effective March 1, 2014. To the extent the City is not able to process the timely sent opt out notices in a manner so as to eliminate such coverage effective March 1, 2014, such coverage shall be eliminated effective April 1, 2014. Retirees who did not opt out by February 7, 2014 will be enrolled in a City-sponsored Medicare Advantage Plan as described in the Booklet.

- (b) **HRA Contribution for Medicare-Eligible Retirees Who Opt Out.** For each Medicare-eligible retiree who opted out of coverage under the City-sponsored Medicare Advantage Plans on or prior to February 7, 2014, the City shall automatically enroll such retiree in a City-sponsored Health Reimbursement Arrangement ("HRA"). The HRA shall be administered by Flex Plan, Inc. The City will provide each electing enrollee with a vested \$115 monthly contribution credit to his or her HRA during the remainder of 2014, which will carry forward until used by the retiree or otherwise forfeited under terms to be negotiated by the parties hereto. The City will make all Reasonable Efforts to implement the HRA credits effective May 1, 2014, retroactive to March 1, 2014. The initial monthly credit for May 2014 shall be in an amount equal to the total of \$115 multiplied by the number of months starting March 2014 for which the enrolled retiree did not have Medicare Advantage Plan coverage (e.g., if John Smith had City-sponsored Medicare Advantage Plan coverage until February 28, 2014, the initial monthly credit for May 2014 will be \$345, covering March, April, and May; thereafter, the payments shall be \$115 per month for each month in 2014).
- (c) **Medicare Advantage Plan Catastrophic Drug Expenses.** Each of the Medicare Advantage Plans sponsored by the City for the period March 1, 2014 through December 31, 2014 include Medicare Part D prescription drug coverage, under which, once the \$4,550 out-of-pocket threshold is met, the participant's cost sharing obligation is limited to the greater of 5% of the cost of the prescription, or \$2.55 per prescription for generic and preferred multi-source drugs or \$6.35 per prescription for all other prescription drugs; provided, that the participant's cost sharing obligation shall never be greater than the cost sharing that applied prior to the participant meeting such threshold. For each participant who meets the \$4,550 out-of-pocket threshold while enrolled in one of the City's Medicare Advantage Plans during the period March 1, 2014 through December 31, 2014, the City will reimburse the amount of this cost sharing obligation to the related



retiree. For the avoidance of doubt, participant means both retiree and any retiree's spouse who is covered by the City's Medicare Advantage Plans.

**3. Modifications for Retirees Not Eligible for Medicare.**

- (a) **Additional Stipend to Retirees With \$75,000 or Lower Household Income Who Acquire Health Care Coverage on an Exchange.** The City will provide non-duty disabled retirees who are not eligible for Medicare a \$125 stipend that they may use to purchase health care coverage. The City will increase this stipend by \$50 for any non-Medicare eligible retiree who either (i) was enrolled in the City's retiree health program on December 31, 2013 or (ii) transitioned from active City benefits to retiree City benefits on or after November 1, 2013; but only to the extent such retiree described in (i) or (ii) above meets the following requirements:

- i) Not eligible for Medicare or Medicaid;
- ii) Not eligible for a benefit under Part II(4);
- iii) Not a duty-disabled retiree (duty-disabled retirees are eligible for higher stipends as provided for in the Booklet);
- iv) Under 65 years old (non-Medicare eligible retirees age 65 and older may receive an increased stipend under Part II(3)(c) below);
- v) Household income is \$75,000 or less, as demonstrated by satisfaction of the process set forth in Part II(3)(b);
- vi) Does not acquire a City-offered group health plan as set forth in Part II(3)(f); and
- vii) Purchases or is covered by a health insurance policy acquired through a health insurance exchange ("Exchange") established pursuant to the Patient Protection and Affordable Care Act.

(b) **Process to Obtain Additional \$50 Monthly Stipend.**

- i) The City will retain Aon Hewitt to administer the eligibility process for the additional \$50 monthly stipend set forth above in Part II(3)(a). Retirees will be given a 30-day notice period, to expire no later than April 30, 2014, during which they shall provide to Aon Hewitt the following:
  - (1) Submission of having purchased an insurance policy through an Exchange that covers such retiree. Such submission shall include information necessary to validate the retiree's eligibility, including the name of the insurer, monthly premium amount, and the amount of federal

subsidy, if any, that the retiree is to receive in connection with such Exchange-acquired coverage; and

- (2) If the proof of Exchange-acquired coverage shows that the retiree's premium does not also include a federal subsidy amount, such retiree shall also submit a copy of his or her most recently filed federal income tax return with proof of filing, but in no event a return prior to the 2011 tax year. If such federal income tax return shows household income in excess of \$75,000 and the retiree believes that household income in 2013 was below \$75,000, the retiree shall also submit – along with a copy of the most recently filed federal income tax return – proof sufficient for Aon Hewitt to conclude that his or her household income in 2013 was less than \$75,000.
- ii) Aon Hewitt shall submit to the City its list of retirees eligible for the additional \$50 monthly stipend and the monthly stipends shall be paid to the approved eligible retirees beginning in the month of June 2014 or as soon thereafter as administratively practical, with payments retroactive to March 1, 2014. For example, if the first payment is made in June 2014, it will be in the amount of \$200 for the months of March, April, May, and June; thereafter, the payments shall be \$50 per month for each succeeding month in 2014. The list provided by Aon Hewitt shall be final and no changes shall be made to such list for the remainder of 2014.

*The City shall cap the amount that it pays for this additional \$50 stipend during the period from March through December 2014 at \$3,000,000. In the event that there are more retirees meeting the requirements in Part II(3)(a) and (b) (i.e., retirees listed on the final list) than can be paid in full for \$3,000,000, each retiree will have his or her stipend amount reduced pro rata, unless there are additional funds that can be used as detailed in Part I(4).*

- (c) **Additional Payment to Non-Medicare Eligible Retirees Age 65 and Older.**  
The City will increase the stipend that it gives non-Medicare eligible retirees who are 65-years-old and older to \$300/month. For such purposes, a non-Medicare eligible retiree is any retiree age 65 or older who is not – directly or through his or her spouse – eligible to automatically enroll in and obtain premium-free coverage under Part A of Medicare as evidenced by a denial letter from the Centers for Medicare and Medicaid Services (“CMS”). Retirees who have previously submitted such a letter to the City will not be required to resubmit it. Non-Medicare eligible retirees who are duty-disabled will not be eligible for this increase because their stipend is already \$300 or more. The City will coordinate with Blue Cross Blue Shield of Michigan to determine the number of non-Medicare eligible retirees who are eligible for this \$300 stipend. The increased stipend will apply for each month from March 2014 through December 2014. The City will make all Reasonable Efforts to implement the \$300 increased

monthly stipend beginning April 1, 2014, with payment of the increased amount over the stipend otherwise paid for prior months being retroactive to March 1, 2014; thereafter, the stipend shall be \$300 per month for each succeeding month in 2014. Such eligible retirees will not receive any other stipend amounts from the City that are described in the Booklet or this Agreement.

(d) **\$125 Monthly Stipend For City Retirees' Spouses Who are Under Age 65, With \$75,000 or Lower Household Income, and Are Enrolled in Health Care Coverage on an Exchange.**

The City will provide a \$125 stipend to certain married retirees whose spouses either (i) were enrolled in the City's retiree health program on December 31, 2013 or (ii) transitioned from active City benefits to retiree City benefits on or after November 1, 2013; but only to the extent such spouse described in (i) or (ii) above meets the following requirements:

- i) Not eligible to enroll in one of the City's Medicare Advantage Plans;
- ii) Not eligible for Medicaid;
- iii) Not eligible for a benefit under Part II(4);
- iv) Under 65 years old;
- v) Household income is \$75,000 or less, as demonstrated by satisfaction of the process set forth in Part II(3)(e);
- vi) Does not acquire a City-offered group health plan as set forth in Part II(3)(f); and
- vii) Purchases or is covered by a health insurance policy acquired through an Exchange.

(e) **Process to Obtain \$125 Monthly Spouse Stipend.**

- i) The City will retain Aon Hewitt to administer the eligibility process for the \$125 monthly spouse stipend. Retirees will be given a 30-day notice period, to expire no later than April 30, 2014, during which they shall provide to Aon Hewitt the following proof:
  - (1) Submission of proof that their spouse is covered under an insurance policy purchased through an Exchange, including information necessary to validate the retirees' eligibility, including the name of the insurer, monthly premium amount, and the amount of federal subsidy, if any, that the spouse is to receive in connection with such Exchange-acquired coverage; and
  - (2) If the proof of Exchange-acquired coverage shows that the spouse's premium does not also include a federal subsidy

amount, such retiree shall also submit a copy of his or her most recently filed federal income tax return with proof of filing, but in no event a return prior to the 2011 tax year. If such federal income tax return shows household income in excess of \$75,000 and the retiree believes that household income in 2013 was below \$75,000, the retiree shall also submit – along with a copy of the most recently filed federal income tax return – proof sufficient for Aon Hewitt to conclude that his or her household income in 2013 was less than \$75,000.

- ii) Aon Hewitt shall submit to the City its list of retirees who are eligible for this \$125 monthly stipend and the monthly stipends shall be paid to the approved married retirees beginning in the month of June 2014 or as soon thereafter as administratively practical, with payments retroactive to March 1, 2014. For example, if the first payment is made in June 2014, it will be in the amount of \$500 for the months of March, April, May, and June; thereafter, the payments shall be \$125 per month for each succeeding month in 2014. The list provided by Aon Hewitt shall be final and no changes shall be made to such list for the remainder of 2014, except as follows:

- (1) if an eligible retiree ceases to be married (whether by death or divorce), the retiree's spouse will cease to be eligible for this stipend and the retiree shall be removed from the list effective as of the month immediately following such event; and
- (2) if a retiree's spouse transitions from active City benefits to retiree City benefits during 2014 and meets the eligibility provisions described in Part II(3)(d) and is approved as eligible pursuant to the process described in Part II(3)(e), the related retiree shall be added to the list effective as of the month in which the transition to retiree City benefits occurs, provided there is sufficient availability under the Aggregate Caps as described below.

*The City will cap the amount that it pays for spousal stipends at \$2,500,000.* In the event that there are more retirees initially satisfying the requirements in Part II(3)(e) (i.e., retirees listed on the first list submitted by Aon Hewitt to the City) than can be paid in full for \$2,500,000, each such retiree will have his or her stipend amount reduced pro rata, provided that if there are additional funds that can be used as detailed in Part I(4), each such retiree will only have his or her stipend amount reduced pro rata to the extent the aggregate amount is not sufficient to satisfy the full amount of such stipends. Retirees who become eligible for this spousal stipend during the year, as described above, shall only be eligible for a stipend to the extent there is sufficient availability under the

Aggregate Caps detailed in Part I(4). The addition or removal of retirees from the list shall not impact the amount of the stipend being paid to other eligible retirees.

- (f) **City Group Plan.** In 2014, the City agrees to contract with Blue Cross Blue Shield of Michigan to offer a fully-insured group health plan option to retirees who are not eligible for Medicare. Such plan option shall be reasonably equivalent to the coverage offered by the City to active employees in 2014. The enrolling retiree will be fully responsible to pay the monthly premium associated with this option. The premium cost to retirees of such policy will include the cost to the City of enrollment and administration related to this policy option, so that the City will not incur any additional expense in offering this policy. The parties will use Reasonable Efforts to have such coverage effective May 1, 2014. The City shall provide a monthly stipend of \$100 to each retiree who enrolls in the City group plan, beginning with the May 1, 2014 payment. No other stipend amounts from the City that are described in the Booklet or this Agreement shall be available to retirees enrolling in this group option, unless either (i) the retiree is duty-disabled, in which case, he or she will instead receive the stipend available to duty-disabled retirees described in the Booklet, or (ii) the retiree is eligible for the stipend described in Part II(3)I, in which case, he or she will instead receive such stipend.

**4. Modifications for Retirees Below the Federal Poverty Level.**

- (a) **Coverage for Michigan Resident Retirees Eligible For Medicaid Coverage On or After April 1, 2014.** The parties recognize that CMS has approved the State of Michigan's request to operate the "Healthy Michigan" program for adults who will become eligible for Medicaid under Section 1902(a)(10)(A)(i)(VIII) of the Social Security Act, and that on April 1, 2014 Michigan will provide Medicaid coverage to all adults residing in the State with income up to and including 133% of the Federal Poverty Level. "Federal Poverty Level" means the applicable poverty guideline based on state of residence and household size issued annually by the U.S. Department of Health and Human Services. For those retirees who are eligible for Medicaid under the scheduled April 1, 2014 expansion, the City will facilitate their transition in the following manner: Within 10 days of the effective date of this Agreement, the City shall contact by letter those non-Medicare eligible retirees, who, according to the Retirement Systems' records, reside in Michigan and whose annual pension income is in an amount less than 100% of the Federal Poverty Level. Such retirees will be given a 30 day opportunity to submit to Aon Hewitt proof that their income falls below the Federal Poverty Level. Upon receipt by Aon Hewitt of a list of such retirees falling below the Federal Poverty Level, the City shall provide payment to such retirees of the amount equal to the value of the federal subsidy for the month of March that they would have received in connection with the second lowest cost Exchange-purchased silver plan, had such retiree, and to the extent the retiree is married, such retiree's spouse, been eligible for such subsidy for the month of March 2014 for such plan based on a determination of household income at 100% of the Federal Poverty Level. A similar payment will be made by the City in



connection with insurance coverage for April 2014 if such retiree and spouse are not covered by Medicaid. To the extent that the Medicaid expansion rules in Michigan have not provided such retirees the opportunity to migrate into the Michigan Medicaid program by May 1, 2014, the City shall cease its continued payment but the parties agree to negotiate in good faith an additional reasonable accommodation to such retirees that balances the City's and such retirees' interests. *Retirees eligible for payments under this subsection are not eligible for any other payment offered by the City as set forth in the Booklet or as set forth in this Agreement.*

- (b) **Coverage for Non-Medicare Eligible Retirees in States that Have Not Expanded Medicaid.** The City recognizes that not all States have chosen to expand Medicaid coverage in accordance with Title II of the Patient Protection and Affordable Care Act, and certain non-Medicare eligible retirees residing outside the State of Michigan whose incomes fall below 133% of the Federal Poverty Level will not be eligible for Medicaid coverage. Accordingly, in connection with such retirees, the City will pay a monthly amount equal to the lesser of: (1) the second lowest cost monthly premium for a silver plan for such retiree and spouse purchased through an Exchange in their place of residence; or (2) the ratable monthly amount necessary to increase the retiree's annual household income to 100% of the Federal Poverty Level. Within 10 days of the effective date of this Agreement, the City shall contact by letter those retirees, who, according to the Retirement Systems' records, reside in states that do not provide Medicaid coverage to adults up to the Federal Poverty Level, and whose annual pension income is in an amount less than 100% of the Federal Poverty Level. Such retirees will be given a 30 day opportunity to submit to Aon Hewitt proof that their income falls below the Federal Poverty Level. The City shall commence such payments as soon as reasonably practicable after receiving a list of such retirees from Aon Hewitt. *Retirees eligible for payments under this subsection are not eligible for any other payment offered by the City as set forth in the Booklet or as set forth in this Agreement.*

### III. RELEASES, FUTURE LEGAL PROCEEDINGS, AND MISCELLANEOUS

1. **Future Claims in City Plan Confirmation Proceedings.** This Agreement is entered into without prejudice to any party to this litigation with respect to any issue involving the rights, claims, obligations, and payments of health care and other post-employment benefits ("OPEB"); provided that the City will not seek to recover directly from the retirees any postpetition OPEB payments made to or on behalf of retirees. Each party expressly reserves its rights on OPEB issues in connection with negotiations of a plan of adjustment, and the Plaintiffs are free to pursue, and the City to oppose, their position that the postpetition OPEB payments the City made to or on behalf of retirees were a business necessity.

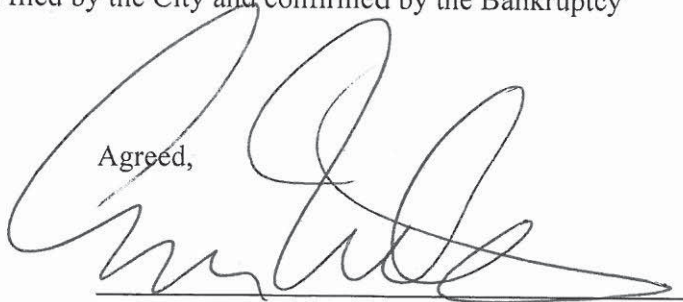
2. **Release.** Following the execution of this Agreement, the Plaintiffs will promptly dismiss the lawsuit – which solely addresses 2014 retiree health care benefits – with prejudice; provided, however, that any party to the lawsuit may bring an action in the Bankruptcy Court to enforce the terms of this Agreement resolving the lawsuit (an "Enforcement Action") and if the

conditions contained in the last sentence of Part I(5) occur, then Plaintiffs are free to reinstate the Adversary Proceeding. Solely for purposes of an Enforcement Action, the City consents, pursuant to 11 U.S.C. § 904, to the Bankruptcy Court's hearing and deciding such Enforcement Action.

3. **Counterparts.** This Agreement may be signed in counterparts, and each counterpart shall be treated as an original.

4. **Good Faith.** As evidenced by the undersigned acknowledgment of Judge Wiley Daniel, Mediator, this Agreement was negotiated and entered into by all parties in good faith.

5. **Plan of Adjustment.** The terms of this Agreement, including Part III(4), shall be incorporated into any plan of adjustment filed by the City and confirmed by the Bankruptcy Court in 2014 in this bankruptcy case.

Agreed,  
  
Evan Miller, attorney for Defendants

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Sam J. Alberts, attorney for the Committee

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Brian O'Keefe, attorney for Detroit Retired City  
Employees Association and Retiree Police and  
Fire Fighters Association

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Richard Mack, attorney for AFSCME Sub-  
Chapter 98, City of Detroit Retirees

Acknowledged:

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Judge Wiley Daniel, Mediator

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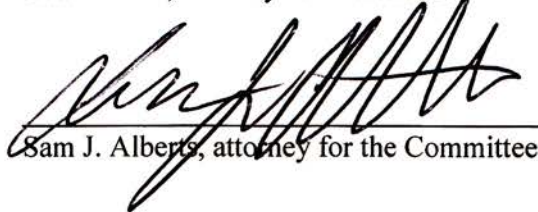
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Richard Mack, attorney for AFSCME Sub-Chapter 98, City of Detroit Retirees

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Judge Wiley Daniel, Mediator

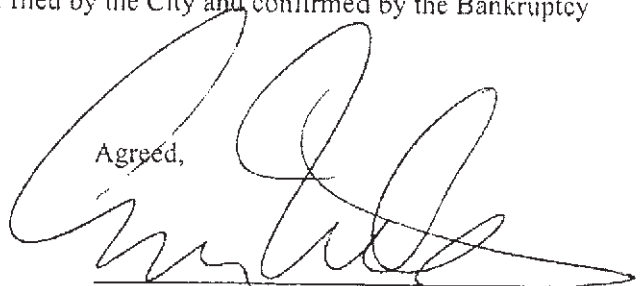
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Richard Mack, attorney for AFSCME Sub-  
Chapter 98, City of Detroit Retirees

Acknowledged:



Judge Wiley Daniel, Mediator

## EXHIBIT 1

(See next page)



January 2014

## Certificate of Coverage City of Detroit Retirees

### **CLASS I**

#### **Diagnostic and Preventive:**

Exams, X-Rays, Prophylaxis, Fluoride -up to age 19

**100%**

### **CLASS II**

#### **Restorative:**

Fillings, Root Canals, Routine Extractions

**100%**

### **CLASS III**

#### **Prosthetics:**

Crowns, Bridges, Partials, Dentures, Space Maintainers

**80%**

### **CLASS IV**

#### **Specialty Care:**

Periodontics

Endodontics

Oral Surgery

**70%**

### **ORTHODONTICS** (Interceptive excluded)

Lifetime Benefit Maximum: Dependents up to age 19

**\$3,000**

Lifetime Benefit Maximum: Subscriber and Spouse

**\$3,000**

### **Out-Of-Area Emergency Coverage \$100 reimbursement**

**Annual Maximum:** \$1,600.00

**Annual Renewal:** 07/01

**Membership Card Reads:** Detroit Retirees

Rate Type	Current Rates
Single Person	\$23.73
Family of two	\$38.83
Family	\$57.17

**EXHIBIT I.A.244**

SCHEDULE OF SECURED GO BOND DOCUMENTS

**SCHEDULE OF SECURED GO BOND DOCUMENTS**

<b>Secured GO Bond Documents</b>	<b>Series of Secured GO Bonds</b>	<b>Balance as of Petition Date</b>
Resolution of the City Council adopted February 23, 2010  Finance Director's Order dated March 11, 2010  Master Debt Retirement Trust Indenture dated as of March 1, 2010, as supplemented and amended (the " <u>Master Indenture</u> "), between the City of Detroit and U.S. Bank National Association, as trustee	Distributable State Aid General Obligation Limited Tax Bonds, Series 2010	\$252,475,366
Resolution of the City Council adopted July 20, 2010  Finance Director's Order dated December 9, 2010  Master Indenture	Distributable State Aid Second Lien Bonds (Unlimited Tax General Obligation), Series 2010(A) (Taxable-Recovery Zone Economic Development Bonds – Direct Payment)	\$101,707,848
Resolution of the City Council adopted March 27, 2012  Finance Director's Order dated March 28, 2012 (Series 2012(A2) and Series 2012(B2))  Finance Director's Order dated July 3, 2012 (Series 2012 (A2) and Series 2012(B2))  Finance Director's Order dated August 16, 2012 (Series 2012(A2-B), Series 2012 (A2) and Series 2012(B2))  Master Indenture	Self Insurance Distributable State Aid Third Lien Bonds (Limited Tax General Obligation), Series 2012(A2)	\$39,254,171
Resolution of the City adopted March 27, 2012  Finance Director's Order dated August 16, 2012 (Series 2012(A2-B), Series 2012 (A2) and Series 2012(B2))  Master Indenture	Self Insurance Distributable State Aid Third Lien Refunding Bonds (Limited Tax General Obligation), Series 2012(A2-B)	\$31,037,724

Secured GO Bond Documents	Series of Secured GO Bonds	Balance as of Petition Date
Resolution of the City Council adopted March 27, 2012 Finance Director's Order dated March 28, 2012 (Series 2012(B)) Finance Director's Order dated July 3, 2012 (Series 2012(B)) Finance Director's Order dated August 16, 2012 (Series 2012(B)) Master Indenture	General Obligation Distributable State Aid Third Lien Capital Improvement Refunding Bonds (Limited Tax General Obligation), Series 2012(B)	\$6,469,135
Resolution of the City Council adopted March 27, 2012 Finance Director's Order dated March 28, 2012 (Series 2012(A2) and Series 2012(B2)) Finance Director's Order dated July 3, 2012 (Series 2012 (A2) and Series 2012(B2)) Finance Director's Order dated August 16, 2012 (Series 2012(A2-B), Series 2012 (A2) and Series 2012(B2)) Master Indenture	Self Insurance Distributable State Aid Third Lien Refunding Bonds (Limited Tax General Obligation), Series 2012(B2)	\$54,055,927



**EXHIBIT I.A.268**

FORM OF STATE CONTRIBUTION AGREEMENT

## **CONTRIBUTION AGREEMENT**

This Contribution Agreement (“Agreement”), dated as of \_\_\_\_\_, 2014, is made by and among the Michigan Settlement Administration Authority, a Michigan body public corporate (the “Authority”), the General Retirement System for the City of Detroit, the Police and Fire Retirement System for the City of Detroit and the City of Detroit (the “City”).

### **RECITALS**

A. The City filed a voluntary petition for relief under chapter 9 of the Bankruptcy Code on July 18, 2013 (the “Chapter 9 Case”) in the United States Bankruptcy Court for the Eastern District of Michigan (the “Court”).

B. During the course of the Chapter 9 Case, the City has asserted that the City’s Police and Fire Retirement System (the “PFRS” or a “System”) and the General Retirement System (the “GRS” or a “System”) are underfunded.

C. During the course of the Chapter 9 Case, there have been suggestions that the State of Michigan (the “State”) may be obligated to pay a portion of the underfunding of pension benefits payable to retirees, a suggestion the State vigorously disputes.

D. As part of the mediation process in the Chapter 9 Case, the mediators asked the State and other parties to consider contributing funds to assist in reducing the amount of underfunding in the PFRS and GRS pension funds by providing additional settlement funds for the benefit of pensioners that would not be otherwise available.

E. As part of its determination that the City was eligible to file the Chapter 9 Case, the Court determined that pension obligations of the City can be impaired or diminished in the Chapter 9 Case and are not protected from such impairment or diminution by the State Constitution.

F. In support of confirmation of the City’s Fourth Amended Plan of Adjustment dated May 2, 2014 (as may be further amended from time to time, the “Plan”), the State has agreed, subject to satisfaction of specific conditions, to make a contribution to the GRS and PFRS in return for releases from, among other things, any claims against the State and the State Related Entities described in this Agreement.

G. On \_\_\_\_\_, 2014, the Authority was established as the disbursement agent for the State with respect to the State Contribution (as defined below).

H. Capitalized terms used in this Agreement but not defined have the same meaning as set forth in the Plan.

NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. State Contribution. On the later of (a) the date on which the Conditions Precedent have been satisfied, and (b) 60 days after the Effective Date of the Plan, the Authority shall disburse \$[\_\_\_\_\_] to GRS and \$[\_\_\_\_\_] to PFRS (collectively, the “State Contribution”).

for the purpose of increasing the assets of the PFRS and GRS. The total aggregate State Contribution is equal to the net present value of \$350,000,000 payable over 20 years determined using a discount rate of 6.75%, which results in a total contribution by the State of \$194,800,000. The State Contribution shall only be used to fund payments to holders of GRS Pension Claims and PFRS Pension Claims, each as defined in the Plan.

2. Governance Requirements of the GRS and PFRS. At all times during the 20 year period following the disbursement of the State Contribution to the GRS and PFRS, the GRS and PFRS each must establish an investment committee (the “Investment Committee”) for the purpose of making recommendations to, and approving certain actions by, the respective System's board of trustees and/or making determinations and taking action under and with respect to Investment Management, as set forth in the terms and conditions enumerated on **Exhibit A** and **Exhibit B**, respectively, each attached to and incorporated by reference into this Agreement.

3. Income Stabilization Funds and Income Stabilization Payments. The City, GRS and PFRS shall establish an income stabilization program and amend the governing documents for GRS and the governing documents for PFRS to include the following:

- a. A supplemental pension income stabilization payment (the “Income Stabilization Payment”) payable on an annual basis beginning not later than 120 days after the Effective Date, to each Eligible Pensioner equal to the lesser of (a) the amount needed to restore the Eligible Pensioner's reduced pension benefit to the amount of the pension benefit that the Eligible Pensioner received from GRS or PFRS in 2013, or (b) the amount needed to bring the total annual household income of the Eligible Pensioner up to 130% of the Federal Poverty Level in 2013.
- b. In addition, to the extent an Eligible Pensioner's Estimated Adjusted Annual Household Income in any calendar year is less than 105% of the Federal Poverty Level in that year, the Eligible Pensioner will receive an additional benefit (“Income Stabilization Benefit Plus”). The Income Stabilization Benefit Plus shall be equal to the lesser of either (a) the amount needed to restore 100% of the Eligible Pensioner's pension benefits, including escalators and cost of living adjustments; or (b) the amount needed to bring the Eligible Pensioner's Estimated Adjusted Annual Household Income in that calendar year up to 105% of the Federal Poverty Level in that year.
- c. An Eligible Pensioner's “Estimated Adjusted Annual Household Income” shall be calculated as follows: (i) the annual pension benefit amount paid in 2013 shall be subtracted from the Eligible Pensioner's 2013 total household income (per their (or in the case of minor children, their legal guardian's) 2013 income tax returns or equivalent documentation), as adjusted for inflation or Social Security COLA increases, to create a base additional income amount, plus (ii) the following three items as applicable, (x) the reduced pension benefit that GRS or PFRS will pay the

Eligible Pensioner for that year, (y) any GRS or PFRS pension restoration due to an improved GRS or PFRS funding level, and (z) the Eligible Pensioner's Income Stabilization Benefit. Notwithstanding the foregoing, Income Stabilization Payments, including the Income Stabilization Benefit Plus, under both GRS and PFRS shall not exceed \$20 million in aggregate.

- d. A separate recordkeeping sub-account called the "Income Stabilization Fund" will be set up under each of GRS and PFRS for the sole purpose of paying the Income Stabilization Payments, including Income Stabilization Benefit Plus payments, to Eligible Pensioners. The assets credited to the sub-accounts will be invested on a commingled basis with the applicable System's assets and will be credited with a pro-rata portion of the System's earnings and losses.
- e. Amounts credited to the Income Stabilization Fund, including the Assigned UTGO Bond Tax Proceeds, may not be used for any purpose other than the payment of Income Stabilization Payments, including Income Stabilization Benefit Plus payments, to Eligible Pensioners, except as expressly provided in subparagraph (f) below.
- f. In 2022, provided that the State has not issued a certificate of default with respect to a System at any time prior to 2022, the Investment Committee for that System shall conduct a valuation to determine the Income Stabilization Payments, including Income Stabilization Benefit Plus payments, anticipated to be made from the System in the future, in order for the System to fulfill the obligation to make such payments (the "Estimated Future Liability"). In the event that 75% of the independent members of the Investment Committee determine that the GRS or PFRS Income Stabilization Fund is credited with assets in excess of its Estimated Future Liability (the "Excess Assets"), the Investment Committee may, in its sole discretion, recommend to the Board of Trustees that the Excess Assets, but not more than \$35 million, be used to fund that System's Adjusted Pension Benefits. The Investment Committee shall have the right to engage professionals to assist in this task as necessary, and such expenses shall be paid by the Systems. If any funds remain in the GRS or PFRS Income Stabilization Fund on the date upon which no Eligible Pensioners under their respective System are living, the remainder of that System's Income Stabilization Fund shall be used to fund that System's Adjusted Pension Benefits.
- g. "Eligible Pensioners" are those retirees or surviving spouses who are at least 60 years of age or those minor children receiving survivor benefits from GRS or PFRS, each as of the Effective Date, whose pension benefit from GRS or PFRS will be reduced by the confirmed Plan, and who have a total household income equal to or less than 140% of the Federal Poverty Line in 2013 (per their (or in the case of minor children, their legal guardian's) 2013 income tax returns or equivalent documentation).

No new persons will be eligible to receive an Income Stabilization Payment at any time in the future, and any minor child receiving survivor benefits shall cease to be an Eligible Pensioner after he or she turns 18 years of age.

- h. The initial determination of Eligible Pensioners, and the amounts of Income Stabilization Payments payable to Eligible Pensioners shall be made by the State in its sole discretion. The State shall transmit the list of Eligible Pensioners to the Investment Committee and the Board of Trustees of GRS and PFRS, as applicable. The Board of Trustees, with the assistance of the Investment Committee of GRS and PFRS, shall be responsible for properly administering the respective Income Stabilization Fund and annually certifying to the Treasurer that it has properly administered the requirements for eligibility and payment of benefits with respect to Eligible Pensioners.

4. Conditions Precedent. The Authority's obligations under this Agreement are not effective or enforceable until each of the following conditions (the "Conditions Precedent") have been met to the satisfaction of the Authority and the Treasurer, unless any one or more of such conditions are waived in a writing executed by the Authority and the Treasurer:

- a. The Authority receives the State Contribution from the State.
- b. An endorsement of the Plan by the Official Retiree Committee which will include a letter from the Official Retiree Committee as part of the Plan solicitation package recommending to Classes 10 and 11 a vote in favor of the Plan, or equivalent assurances from member organizations representing a majority of retirees in the respective classes.
- c. Cessation of all litigation, including the cessation of funding of any litigation initiated by any other party, as it related to the City (a) challenging PA 436 or any actions taken pursuant to PA 436, including but not limited to, a dismissal with prejudice of the cases set forth on **Exhibit D**, or (b) seeking to enforce Article IX, Section 24 of the Michigan Constitution.
- d. Active support of the Plan by, a release of and covenant not to sue the State from, and an agreement not to support in any way (including funding) the litigation described in subparagraph 4(c) by the parties listed on **Exhibit C**, or equivalent assurance of litigation finality
- e. Classes 10 and 11 accept the Plan.
- f. By September 30, 2014, the Court enters a final, non-appealable order confirming the Plan that includes, at a minimum, the following:
  - i. A release of the State and State Related Entities by each holder of a Pension Claim of all Liabilities arising from or related to the

City, the Chapter 9 case (including the authorization to file the Chapter 9 Case), the Plan, all Exhibits, the Disclosure Statement, PA 436 and its predecessor or replacement statutes, and Article IX, Section 24 of the Michigan Constitution.

- ii. A requirement that the governing documents of GRS and the governing documents of PFRS be amended to include:
  - a) the governance terms and conditions set forth in Paragraph 2, Exhibit A and Exhibit B of this Agreement; and
  - b) the Income Stabilization Payments, the Income Stabilization Benefit Plus payments, and Income Stabilization Fund described in Paragraph 3 of this Agreement.
- iii. Approval of, and authority for the City to enter into, the UTGO Settlement.
- iv. A requirement that the City irrevocably assigns the right to receive not less than an aggregate amount of \$20,000,000 of the payments on the Reinstated Stub UTGO Bonds to the Income Stabilization Funds of the GRS and PFRS. Such payments will be made to the Income Stabilization Funds in the form of annual installment payments over a 14 year period, **[pursuant to a payment schedule approved by the State.]**
- v. Approval of, and authority for the City to enter into, the DIA Settlement.
- vi. Agreement to and compliance with MCL 141.1561 and cooperation with the transition advisory board appointed pursuant to MCL 141.1563, or compliance with any new legislation that is enacted regarding post-bankruptcy governance.
- g. Evidence satisfactory to the State of an irrevocable commitment by:
  - i. The Foundations to fund \$366,000,000 (or the net present value thereof) as part of the DIA Settlement; and
  - ii. The DIA Corp. to fund \$100,000,000 (or the net present value thereof) as part of the DIA Settlement.
- h. The Plan Effective Date occurs on or before December 31, 2014.

5. Non-occurrence of Conditions Precedent. If the Conditions Precedent are not met to the satisfaction of the Authority and the Treasurer on or before December 31, 2014, upon

written request of the Treasurer, the Authority shall remit the State Contribution to the Department and shall have no further obligations under this Agreement.

6. Default by GRS and PFRS and Remedies.

- a. A System will be in default if the System has not complied with any of the conditions set forth in the Plan, its respective governing documents, or this Agreement, including but not limited to failing to make the required Income Stabilization Payments or Income Stabilization Benefit Plus payments, or using funds in the Income Stabilization Fund for unauthorized purposes.
- b. In the event of default by a System, and failure of the System to promptly cure such default to the satisfaction of the Treasurer within the time period reasonably established by the Treasurer, no portion of the total State Contribution to the defaulting System, as adjusted for earnings and losses, may be taken into consideration by the System during the remainder of the 20 year period following the date of such default for purposes of determining whether benefits reduced by the Plan may be restored. Notwithstanding the foregoing, in the event that a default is cured in a subsequent year, the Treasurer may determine in his or her sole discretion (taking into consideration such factors as the financial impact of the default on the System) that the defaulting System may once again include its State Contribution, as adjusted for earnings and losses, for purposes of determining whether benefits reduced by the Plan may be restored.
- c. Each Board of Trustees shall provide reports to the Treasurer on a semi-annual basis and at such other times as the Treasurer reasonably may request in order for the Treasurer to determine that the conditions set forth herein have been satisfied. The Treasurer shall provide either a certificate of compliance, or in the event of a default that has not been cured to the Treasurer's satisfaction, a notice of default, upon request of the System or any of the independent members of the Board of Trustees.
- d. Notwithstanding the foregoing, in the event of a default, the Treasurer and the Authority shall have the right to pursue all available legal and equitable remedies against the Board of Trustees for the defaulting System, the Investment Committee, or any other person.

7. Execution in Counterparts. This Agreement may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

8. Governing Law/Jurisdiction. This Agreement shall be construed in accordance with the laws of the State of Michigan, without reference to its conflict of law provisions, and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with



such laws. The Bankruptcy Court of the Eastern District of Michigan shall have exclusive jurisdiction over any action or proceeding solely with respect to this Agreement, and each party, to the extent permitted by law, agrees to submit to such jurisdiction and to waive any defense based on venue or jurisdiction of such court.

9. Amendment. This Agreement may be amended, modified, superseded or canceled, and any of the terms, covenants, representations, warranties or conditions hereof may be waived only by an instrument in writing signed by each of the Parties.

10. Limitation of Liability. The obligation to make the State Contribution is not a general obligation or indebtedness of the State or the Authority and is subject to satisfaction of the conditions described herein. Furthermore, neither the State nor the Authority has any liability or obligation arising from or related to the contributions and funding of the Income Stabilization Fund of each System. Notwithstanding anything contained herein to the contrary, no State Related Entity or board member of the Authority shall have any liability for the representations, warranties, covenants, agreements or other obligations of the State or the Authority hereunder or in any of the certificates, notices or agreements delivered pursuant hereto.

11. Severability. If any one or more of the covenants, agreements or provisions of this Agreement shall be determined by a court of competent jurisdiction to be invalid, the invalidity of any such covenants, agreements and provisions shall in no way affect the validity or effectiveness of the remainder of this Agreement, and it shall continue in force to the fullest extent permitted by law.

12. Headings. Any headings preceding the text of the several articles and sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience or reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

[Remainder of Page Intentionally Left Blank – Signatures on Following Page]



**MICHIGAN SETTLEMENT ADMINISTRATION  
AUTHORITY**

By: \_\_\_\_\_  
Title: Authorized Officer

**GENERAL RETIREMENT SYSTEM FOR THE  
CITY OF DETROIT**

By: \_\_\_\_\_  
Title: Authorized Officer

**POLICE AND FIRE RETIREMENT SYSTEM FOR  
THE CITY OF DETROIT**

By: \_\_\_\_\_  
Title: Authorized Officer

**CITY OF DETROIT**

By: \_\_\_\_\_  
Title: Emergency Manager

**EXHIBIT A – GRS Governance Terms**

*In re City of Detroit, Michigan*

INVESTMENT COMMITTEE GOVERNANCE  
FOR GENERAL RETIREMENT SYSTEM

PREAMBLE	This document was prepared to set forth the pension governance requirements under the State Contribution Agreement applicable to the General Retirement System of the City of Detroit (GRS).
SCOPE OF GOVERNANCE	The GRS is currently administered by a ten (10) member Board of Trustees that is vested with the fiduciary authority for the general administration, management and operation of the Retirement System. The GRS Board currently makes all administrative, actuarial and investment related decisions for the GRS. Upon the Effective Date under the POA, there shall be established, by appropriate action and amendments to governing documents, an Investment Committee (“IC”) which shall be vested with the authority and responsibilities as outlined herein for a period of twenty (20) years after the Effective Date of the POA. All administrative, managerial, and operational matters not addressed in this Term Sheet shall continue to be addressed by the GRS Board in the ordinary course of its affairs.
INVESTMENT COMMITTEE	<p>The GRS Investment Committee (“GRS IC”) shall consist of seven (7) voting members consisting of:</p> <ul style="list-style-type: none"><li>i. Five (5) Independent Members;</li><li>ii. One (1) Employee Member; and</li><li>iii. One (1) Retiree Member.</li></ul> <p>Collectively, or individually, “Members” or “Member”.</p> <p>At least two (2) of the five (5) Independent Members of the committee shall be residents of the State of Michigan. None of the Independent Members shall be a party in interest as defined by MCL 38.1132d (4).</p> <p>Each Independent Member of the GRS IC shall have expert knowledge or extensive experience with respect to either: (a) economics, finance, or institutional investments; or (b) administration of public or private retirement plans, executive management, benefits administration or actuarial science. At least one (1) of the GRS IC Independent Members shall satisfy the requirements of (a) above and at least one (1) of the GRS IC Independent Members shall satisfy the requirements of (b) above.</p> <p>The five (5) initial GRS IC Independent Members shall be selected by mutual agreement of the appropriate representatives of the State, the City and the GRS Board, in consultation with the Foundations, and named in the POA. Successor Independent Members shall be appointed by a majority of the remaining Independent Members after three (3) weeks’ notice to the GRS Board and the State Treasurer of the individuals chosen, in accordance with such rules and regulations</p>

	<p>as may be adopted by the GRS IC, provided such rules and regulations are not inconsistent with the POA and this agreement.</p> <p>If the five (5) initial GRS IC Independent Members are not selected by mutual agreement by the time of confirmation of the City's Plan of Adjustment, then the five (5) initial GRS IC Independent Members shall be selected by the Bankruptcy Court.</p> <p>In the event the Bankruptcy Court selects the Independent Members as described immediately above, Successor Independent Members shall be appointed in the same manner as the Independent Member being replaced, as described immediately above, after three (3) weeks' notice to the GRS Board of the individuals chosen, in accordance with such rules and regulations as may be adopted by the GRS IC, provided such rules and regulations are not inconsistent with the POA and this agreement.</p> <p>The Employee Member shall be an employee-elected Member from the GRS Board appointed by the GRS Board. The initial Employee Member will be _____.</p> <p>The Retiree Member shall be a retiree-elected Member from the GRS Board appointed by the GRS Board. The initial Retiree Member will be _____.</p> <p>The terms of office of the initial GRS IC Independent Members shall be staggered at the time of appointment so that Independent Members shall have varying initial terms of office, with one each having a 2, 3, 4, 5 and 6 year term. Each initial Independent Member shall serve until the expiration of his/her initial term. After the initial term of office, the term of office of the GRS IC Independent Members shall be six years. Each successor Independent Member shall be selected in accordance with the provisions above and shall serve until his or her death, incapacity, resignation or removal in accordance with the paragraph below. Upon expiration of his or her term of office, an Independent Member shall continue to serve until his or her successor is appointed. Nothing herein shall bar an initial Independent Member from becoming a successor Independent Member after his/her initial term.</p> <p>A Member may be removed by the remaining Members for any of the following reasons: (a) the Member is legally incapacitated from executing his or her duties as a Member of the GRS IC and neglects to perform those duties, (b) the Member has committed a material breach of GRS provisions, policies or procedures and the removal of the Member is in the interests of the system or its participants or its participants' beneficiaries, (c) the Member is convicted of a violation of law and the removal shall be accomplished by a vote of the GRS IC in accordance with the voting procedures in this agreement, (d) if the Member holds a license to practice and such license is revoked for misconduct by any State or federal government, or (e) if an IC</p>
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	<p>Member shall fail to attend scheduled meetings of the IC for four (4) consecutive meetings, unless in each case excused for cause by the remaining Members attending such meetings, the Member shall be considered to have resigned from the IC, and the IC shall, by resolution, declare the office of the Member vacated as of the date of adoption of such resolution. In addition, a Member of the IC may have voting privileges temporarily suspended by avote of the other members if the Member is indicted or sued by a State or federal government for an alleged violation of the law that relates to his or her service on the GRS IC, or for other alleged financial crimes, including fraud. Any vacancy occurring in the office of Member shall be filled within sixty (60) days following the date of the vacancy, for the unexpired portion of the term, in the same manner in which the office was previously filled.</p> <p>All members of the GRS IC shall be reimbursed for the reasonable, actual and necessary expenses incurred in the performance of their duties. All reasonable and proper expenses related to the administration of the GRS shall be payable out of the investment returns of the GRS.</p> <p>The GRS IC shall be an investment fiduciary to the GRS. An IC Member or other fiduciary under the GRS shall discharge his or her duties with respect to the GRS in compliance with the provisions of Public Act 314 of 1965, as amended. An IC Member shall discharge his or her duties with the care, skill, and caution under the circumstances then prevailing which a prudent person, acting in a like capacity and familiar with those matters, would use in the conduct of an activity of like character and purpose. Members of the GRS IC shall comply with all GRS Board governance policies and procedures, including the Ethics and Code of Conduct Policies, unless such compliance violates the Member's fiduciary duties or conflicts with the terms and conditions of this agreement.</p>
GRS IC MEETINGS	<p>The GRS IC shall meet at least once every other month. The Members shall determine the time for the regular meetings of the IC and the place or places where such meetings shall be held. The Secretary or his or her designee shall be responsible for giving notice of the time and place of such meetings to the other Members.</p> <p>Notice and conduct of all meetings of the IC, both regular and special, shall be held within the City of Detroit and in accordance with applicable law including the Michigan Open Meetings Act (MCL §15.261 <u>et seq.</u>).</p> <p>The GRS IC shall adopt its own rules of procedure and shall keep a record of its proceedings. Five (5) Members shall constitute a quorum at any meeting of the GRS IC, so long as at least three (3) Independent Members are present. Each Member shall be entitled to one vote on each question before the IC and at least four (4) concurring votes shall</p>

	be necessary for a decision of the committee.
INVESTMENT COMMITTEE - RESPONSIBILITY	<p>The GRS IC shall serve in a fiduciary capacity with respect to the Investment Management of all GRS Plan Assets, the investment return assumption, and GRS Board compliance with benefit plan provisions, as set forth more fully below. The GRS IC shall have all the powers as a fiduciary under the first sentence of MCL §38.1133(5).</p> <p>All Investment Management decisions approved by the GRS Board shall require a recommendation by an affirmative vote of the GRS IC, in accordance with the provisions of this agreement. All actions and recommendations of the GRS IC shall be forwarded to the GRS Board for consideration and are subject to GRS Board approval. The GRS Board shall take no action with respect to any matter for which the GRS IC has responsibility and authority, including the Investment Management matters described in the next paragraph, unless and until such action has been approved by affirmative vote of the GRS IC. If the GRS Board fails to act with respect to an Investment Management decision that has been recommended by an affirmative vote of the GRS IC, and such failure continues for 45 days after the date that the recommendation was made to the GRS Board, then the GRS Board shall be deemed to have agreed to the recommended Investment Management decision and the Chief Investment Officer is authorized to implement the decision. If the GRS Board disapproves action recommended by an affirmative vote of the GRS IC and does not provide a detailed written response outlining the reasons for such disapproval, then the GRS Board shall be deemed to have agreed to the recommended Investment Management decision and the Chief Investment Officer is authorized to implement the decision. If the GRS Board disapproves such action and provides a detailed written response outlining the reasons for such disapproval, the IC shall have 45 days after the receipt of the response to either (a) withdraw the recommended Investment Management decision, or (b) request, in writing, a conference with the Board to be held within ten (10) days of such request by the GRS IC, unless a later date is agreed to in writing by the GRS Board and the GRS IC, to discuss the disapproval by the Board described in the written response. Within ten (10) days of the conclusion of the conference, or twenty (20) days following the IC's request for a conference if no conference is held, the IC shall either withdraw the recommended Investment Management decision or provide the Board a written explanation of the IC's decision to proceed with the recommended Investment Management decision. After delivery of such written explanation by the IC, the GRS Board shall be deemed to have agreed to the recommended Investment Management decision and the Chief Investment Officer is authorized to implement the decision.</p> <p>"Investment Management" with respect to GRS Plan Assets shall mean:</p> <ol style="list-style-type: none"> <li>1. Developing sound and consistent investment goals, objectives and performance measurement standards</li> </ol>

	<p>which are consistent with the needs of the Plan.</p> <ol style="list-style-type: none"> <li>2. Within 120 days after the Effective Date of the POA, all of the GRS assets not already under qualified management, if any, must be managed by qualified managers selected by the IC.</li> <li>3. Evaluating and selecting Qualified Manager(s) to invest and manage the Plan's assets.</li> <li>4. Evaluating and selecting the Plan Actuary to prepare annual actuarial valuation reports and any other projections or reports used to determine restoration of pension benefits.</li> <li>5. Communicating the investment goals, objectives, and standards to the investment managers; including any material changes that may subsequently occur.</li> <li>6. Determining how Plan assets should be allocated among various asset classes.</li> <li>7. Determining, in conjunction with the Plan Actuary, any and all calculations and/or assessments underlying the restoration of pension benefits.</li> <li>8. Reviewing and evaluating the results of the investment managers in context with established standards of performance, including restoration of pension benefits.</li> <li>9. Any interpretation of Plan documents, existing law, the POA or other financial determination that could affect funding or benefit levels.</li> <li>10. Taking whatever corrective action is deemed prudent and appropriate when an investment manager fails to perform as expected.</li> <li>11. Complying with the provisions of pertinent federal, state, and local laws and regulations, specifically Public Act 314 and Plan Investment Guidelines.</li> <li>12. Reviewing and approving, prior to issuance, the annual audit and all financial reports prepared on behalf of the GRS.</li> <li>13. Causing an asset/liability valuation study to be performed for GRS every two (2) years, or as requested by the GRS IC or GRS Board.</li> </ol> <p>The GRS IC shall give appropriate consideration to and have an understanding of the following prior to the adoption of asset allocation policy, the selection of manager(s), and/or the adoption of investment return assumptions:</p> <ol style="list-style-type: none"> <li>1. The fiduciary best practices and institutional standards for the investment of public employee retirement system plan assets.</li> <li>2. In establishing the GRS investment allocation and</li> </ol>
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	<p>investment policy target return, the desire to obtain investment returns above the established actuarial investment return assumption to support the restoration of benefits under the Variable Restoration Program, to the extent that is prudent.</p> <p>3. The liquidity needs of the GRS Plan.</p> <p>The fact that the IC makes a recommendation to the Board which is not recommended by the CRS CIO or the Investment Consultant shall not be a basis or factor in determining a breach of fiduciary duty.</p>
CHIEF INVESTMENT OFFICER (CIO)	The IC shall have the exclusive power to retain and discharge the GRS CIO, set and approve any and all compensation for, and terms of employment of, the GRS CIO. With respect to GRS plan assets, the GRS CIO shall report directly to the GRS IC and the GRS Board. The CIO shall be responsible for assisting the GRS IC and the GRS Board in overseeing the GRS's investment portfolio.
PLAN ACTUARY	[To Be Negotiated and Agreed Upon]
QUALIFIED MANAGER(S)	[To Be Negotiated and Agreed Upon]

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## EXHIBIT B – PFRS Governance Terms

## INVESTMENT COMMITTEE GOVERNANCE FOR POLICE AND FIRE RETIREMENT SYSTEM

PREAMBLE	This document was prepared to set forth the pension governance requirement under the State Contribution Agreement applicable to the Police and Fire Retirement System of the City of Detroit (PFRS).
SCOPE OF GOVERNANCE	The PFRS is currently administered by a ten (10) member Board of Trustees that is vested with the fiduciary authority for the general administration, management and operation of the Retirement System. The PFRS Board currently makes all administrative, actuarial and investment related decisions for the PFRS. Upon the Effective Date under the POA, there shall be established, by appropriate action and amendments to governing documents, an Investment Committee ("IC") which shall be vested with the authority and responsibilities as outlined herein for a period of twenty (20) years after the Effective Date of the POA. All administrative, managerial, and operational matters not addressed in this Term Sheet shall continue to be addressed by the PFRS Board in the ordinary course of its affairs.
INVESTMENT COMMITTEE	<p>The PFRS Investment Committee ("PFRS IC") shall consist of nine (9) voting members consisting of:</p> <ul style="list-style-type: none"> <li>i. Five (5) Independent Members;</li> <li>ii. Two (2) Employee Members; and</li> <li>iii. Two (2) Retiree Members.</li> </ul> <p>There shall be one Employee Member elected by the active police officers eligible for a pension from the PFRS and one from the active firefighters eligible for a pension from the PFRS.</p> <p>There shall be one Retiree Member elected by the retired police officers receiving a pension from the PFRS and one retired firefighter receiving a pension from the PFRS. Each of the four (4) uniformed Members shall have one-half (1/2) vote.</p> <p>At least two (2) of the five (5) Independent Members of the committee shall be residents of the State of Michigan. None of the Independent Members shall be a party in interest as defined in MCL 38.1132d(4).</p> <p>Each Independent Member of the PFRS IC shall have expert knowledge or extensive experience with respect to either: (a)</p>

	<p>economics, finance, or institutional investments; or (b) administration of public or private retirement plans, executive management, benefits administration or actuarial science. At least one (1) of the PFRS IC Independent Members shall satisfy the requirements of (a) above and at least one (1) of the PFRS IC Independent Members shall satisfy the requirements of (b) above.</p> <p>The five (5) initial GRS IC Independent Members shall be selected by mutual agreement of the appropriate representatives of the State, the City and the GRS Board, in consultation with the Foundations, and named in the POA. Successor Independent Members shall be appointed by a majority of the remaining Independent Members after three (3) weeks' notice to the GRS Board and the State Treasurer of the individuals chosen, in accordance with such rules and regulations as may be adopted by the GRS IC, provided such rules and regulations are not inconsistent with the POA and this agreement.</p> <p>If the five (5) initial GRS IC Independent Members are not selected by mutual agreement by the time of confirmation of the City's Plan of adjustment, then the five (5) initial GRS IC Independent Members shall be selected by the Bankruptcy Court.</p> <p>In the event the Bankruptcy Court selects the Independent Members as described immediately above, Successor Independent Members shall be appointed in the same manner as the Independent Member being replaced, as described immediately above, after three (3) weeks' notice to the GRS Board of the individuals chosen, in accordance with such rules and regulations as may be adopted by the GRS IC, provided such rules and regulations are not inconsistent with the POA and this agreement.</p> <p>The Employee Members shall be employee-elected Members from the PFRS Board appointed by the PFRS Board. The initial Employee Members will be _____.</p> <p>The Retiree Members shall be retiree-elected Members from the PFRS Board appointed by the PFRS Board. The initial Retiree Members will be _____.</p> <p>The terms of office of the initial PFRS IC Independent Members shall be staggered at the time of appointment so that Independent Members shall have varying initial terms of office, with one each having a 2, 3, 4, 5 and 6 year term. Each initial Independent</p>
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	<p>Member shall serve until the expiration of his/her initial term. After the initial term of office, the term of office of the PFRS IC Independent Members shall be six years. Each successor Independent Member shall be selected in accordance with the provisions above and shall serve until his or her death, incapacity, resignation or removal in accordance with the paragraph below. Upon expiration of his or her term of office, an Independent Member shall continue to serve until his or her successor is appointed. Nothing herein shall bar an initial Independent Member from becoming a successor Independent Member after his/her initial term.</p> <p>A Member may be removed by the remaining Members for any of the following reasons: (a) the Member is legally incapacitated from executing his or her duties as a Member of the PFRS IC and neglects to perform those duties, (b) the Member has committed a material breach of PFRS provisions, policies or procedures and the removal of the Member is in the interests of the system or its participants or its participants' beneficiaries, (c) the Member is convicted of a violation of law and the removal shall be accomplished by a vote of the PFRS IC in accordance with the voting procedures in this agreement, (d) if the Member holds a license to practice and such license is revoked for misconduct by any State or federal government, or (e) if an IC Member shall fail to attend scheduled meetings of the IC for four (4) consecutive meetings, unless in each case excused for cause by the remaining Members attending such meetings, the Member shall be considered to have resigned from the IC, and the IC shall, by resolution, declare the office of the Member vacated as of the date of adoption of such resolution. In addition, a Member of the IC may have voting privileges temporarily suspended by a vote of the other members if the Member is indicted or sued by a State or federal government for an alleged violation of the law that relates to his or her service on the PFRS IC, or for other alleged financial crimes, including fraud. Any vacancy occurring in the office of Member shall be filled within sixty (60) days following the date of the vacancy, for the unexpired portion of the term, in the same manner in which the office was previously filled.</p> <p>All members of the PFRS IC shall be reimbursed for the reasonable, actual and necessary expenses incurred in the performance of their duties. All reasonable and proper expenses related to the administration of the PFRS shall be payable out of the investment returns of the PFRS.</p> <p>The PFRS IC shall be an investment fiduciary to the PFRS. An</p>
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	<p>IC Member or other fiduciary under the PFRS shall discharge his or her duties with respect to the PFRS in compliance with the provisions of Public Act 314 of 1965, as amended. An IC Member shall discharge his or her duties with the care, skill, and caution under the circumstances then prevailing which a prudent person, acting in a like capacity and familiar with those matters, would use in the conduct of an activity of like character and purpose. Members of the PFRS IC shall comply with all PFRS Board governance policies and procedures, including the Ethics and Code of Conduct Policies, unless such compliance violates the Member's fiduciary duties or conflicts with the terms and conditions of this agreement.</p>
PFRS IC MEETINGS	<p>The PFRS IC shall meet at least once every other month. The Members shall determine the time for the regular meetings of the IC and the place or places where such meetings shall be held. The Secretary or his or her designee shall be responsible for giving notice of the time and place of such meetings to the other Members.</p> <p>Notice and conduct of all meetings of the IC, both regular and special, shall be held within the City of Detroit and in accordance with applicable law including the Michigan Open Meetings Act (MCL §15.261 <u>et seq.</u>).</p> <p>The PFRS IC shall adopt its own rules of procedure and shall keep a record of its proceedings. Five (5) Members shall constitute a quorum at any meeting of the PFRS IC, so long as at least three (3) Independent Members are present. Each Independent Member shall be entitled to one vote on each question before the IC and each Employee Member and Retiree Member shall be entitled to one-half (1/2) vote on each question before the IC. In each case, at least four (4) concurring votes shall be necessary for a decision of the committee.</p>
INVESTMENT COMMITTEE - RESPONSIBILITY	<p>The PFRS IC shall serve in a fiduciary capacity with respect to the Investment Management of all PFRS Plan Assets, the investment return assumption, and PFRS Board compliance with benefit plan provisions, as set forth more fully below. The PFRS IC shall have all the powers as a fiduciary under the first sentence of MCL §38.1133(5).</p> <p>All Investment Management decisions approved by the PFRS Board shall require a recommendation by an affirmative vote of the PFRS IC, in accordance with the provisions of this agreement. All actions and recommendations of the PFRS IC shall be forwarded to the PFRS Board for consideration and are</p>

	<p>subject to PFRS Board approval. The PFRS Board shall take no action with respect to any matter for which the PFRS IC has responsibility and authority, including the Investment Management matters described in the next paragraph, unless and until such action has been approved by affirmative vote of the PFRS IC. If the PFRS Board fails to act with respect to an Investment Management decision that has been recommended by an affirmative vote of the PFRS IC, and such failure continues for 45 days after the date that the recommendation was made to the PFRS Board, then the PFRS Board shall be deemed to have agreed to the recommended Investment Management decision and the Chief Investment Officer is authorized to implement the decision. If the PFRS Board disapproves action recommended by an affirmative vote of the PFRS IC and does not provide a detailed written response outlining the reasons for such disapproval, then the PFRS Board shall be deemed to have agreed to the recommended Investment Management decision and the Chief Investment Officer is authorized to implement the decision. If the PFRS Board disapproves such action and provides a detailed written response outlining the reasons for such disapproval, the PFRS IC shall have 45 days after the receipt of the response to either (a) withdraw the recommended Investment Management decision, or (b) request, in writing, a conference with the Board to be held within ten (10) days of such request by the PFRS IC, unless a later date is agreed to in writing by the PFRS Board and the PFRS IC, to discuss the disapproval by the Board described in the written response. Within ten (10) days of the commencement of the conference, or twenty (20) days following the IC's request for a conference if no conference is held, the IC shall either withdraw the recommended Investment Management decision or provide the Board a written explanation of the IC's decision to proceed with the recommended Investment Management decision. After delivery of such written explanation by the IC, the PFRS Board shall be deemed to have agreed to the recommended Investment Management decision and the Chief Investment Officer is authorized to implement the decision.</p> <p>“Investment Management” with respect to PFRS Plan Assets shall mean:</p> <ol style="list-style-type: none"> <li>1. Developing sound and consistent investment goals, objectives and performance measurement standards which are consistent with the needs of the Plan.</li> <li>2. Within 120 days after the Effective Date of the POA, all of the PFRS assets not already under qualified management, if any, must be managed by qualified managers selected by the IC.</li> </ol>
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	<ol style="list-style-type: none"> <li>3. Evaluating and selecting Qualified Manager(s) to invest and manage the Plan's assets.</li> <li>4. Evaluating and selecting the Plan Actuary to prepare annual actuarial valuation reports and any other projections or reports used to determine restoration of pension benefits.</li> <li>5. Communicating the investment goals, objectives, and standards to the investment managers; including any material changes that may subsequently occur.</li> <li>6. Determining how Plan assets should be allocated among various asset classes.</li> <li>7. Determining, in conjunction with the Plan Actuary, any and all calculations and/or assessments underlying the restoration of pension benefits.</li> <li>8. Reviewing and evaluating the results of the investment managers in context with established standards of performance, including restoration of pension benefits.</li> <li>9. Any interpretation of Plan documents, existing law, the POA or other financial determination that could affect funding or benefit levels.</li> <li>10. Taking whatever corrective action is deemed prudent and appropriate when an investment manager fails to perform as expected.</li> <li>11. Complying with the provisions of pertinent federal, state, and local laws and regulations, specifically Public Act 314 and Plan Investment Guidelines.</li> <li>12. Reviewing and approving, prior to issuance, the annual audit and all financial reports prepared on behalf of the PFRS.</li> <li>13. Causing an asset/liability valuation study to be performed for PFRS every two (2) years, or as requested by the PFRS IC or PFRS Board.</li> </ol> <p>The PFRS IC shall give appropriate consideration to and have an understanding of the following prior to the adoption of asset allocation policy, the selection of manager(s), and/or the adoption of investment return assumptions:</p> <ol style="list-style-type: none"> <li>1. The fiduciary best practices and institutional standards for the investment of public employee retirement system plan assets.</li> <li>2. In establishing the PFRS investment allocation and investment policy target return, the desire to obtain investment returns above the established actuarial investment return assumption to support the restoration of benefits under the Variable Restoration Program, to the extent that is prudent.</li> </ol>
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	<p>3. The liquidity needs of the PFRS Plan.</p> <p>The fact that the IC makes a recommendation to the Board which is not recommended by the CRS CIO or the Investment Consultant shall not be a basis or factor in determining a breach of fiduciary duty.</p>
CHIEF INVESTMENT OFFICER (CIO)	The IC shall have the exclusive power to retain and discharge the PFRS CIO, set and approve any and all compensation for, and terms of employment of, the PFRS CIO. With respect to PFRS plan assets, the PFRS CIO shall report directly to the PFRS IC and the PFRS Board. The CIO shall be responsible for assisting the PFRS IC and the PFRS Board in overseeing the PFRS's investment portfolio.
PLAN ACTUARY	[To Be Negotiated and Agreed Upon]
QUALIFIED MANAGER(S)	[To Be Negotiated and Agreed Upon]

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## **EXHIBIT C**

1. General Retirement System
2. Police and Fire Retirement System
3. AFSCME
4. UAW
5. Detroit Police Officers Association
6. Detroit Police Command Officers Association
7. Detroit Police Lieutenants and Sergeants Association
8. Detroit Fire Fighters Association
9. Retired Detroit Police and Fire Fighters Association
10. Retired Detroit Police Members Association
11. Detroit Retired City Employees Association
12. Official Retirees Committee
13. City of Detroit

## EXHIBIT D

LANSING 40432-1 490647v9

CLI-2209145v1

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Cases to be dismissed:

1. GRS et al. v. Emergency Manager of Detroit (Ingham County Circuit Court)
2. United Retired Government Employees (URGE) et al. v. Governor, et al. (E.D. Mich.)
3. Webster et al. v. State of Michigan, Governor, and State Treasurer (Ingham County Circuit Court)
4. Detroit Library Commission v. Governor, State Treasurer, and Detroit Public Schools Emergency Manager (Ingham County)
5. Flowers et al. v. Governor, State Treasurer, and State of Michigan (Ingham County Circuit Court)
6. DPOA v. City of Detroit (Michigan Court of Appeals)

The settling parties will not attempt to amend to include the City of Detroit or its Emergency Manager as a defendant, or collaterally or retroactively attack the Detroit bankruptcy or actions of Detroit or its EM, or otherwise participate, support, fund, or appeal in the following cases:

1. Phillips et al v. Governor and State Treasurer (E.D. Mich.)
2. Michigan AFSCME Council 25 v. Governor, State Treasurer, et al. (E.D. Mich.)
3. NAACP v. Governor, State Treasurer, and Secretary of State (E.D. Mich.)
4. Robert Davis/Citizens United Against Corrupt Government v. Governor, State of Michigan, Dept. of Treasury, Dept. of State Police, et al. (Ingham County Circuit Court)
5. Robert Davis/Citizens United Against Corrupt Government v. Michigan Department of Treasury and Carla Robert (Wayne County Circuit Court)
6. Robert Davis v. Local Emergency Financial Assistance Loan Board (Ingham Court)
7. Robert Davis v. Weatherspoon, Governor, Attorney General, and State Treasurer (E.D. Mich.)
8. Allen Park Retirees v. EM Parker, City of Allen Park (Wayne Circuit)
9. Allen Park Retirees v. State (Court of Claims)
10. Deborah Moore-El v. Snyder (E.D. Mich.)
11. Faith, et al. v. Snyder (E.D. Mich.)
12. Sarella Johnson, et al. v. Snyder (E.D. Mich.)

**EXHIBIT I.A.279**

SCHEDULE OF UNLIMITED TAX GENERAL OBLIGATION BOND  
DOCUMENTS & RELATED UNLIMITED TAX GENERAL OBLIGATION BONDS

**SCHEDULE OF UNLIMITED TAX GENERAL OBLIGATION BOND  
DOCUMENTS & RELATED UNLIMITED TAX GENERAL OBLIGATION BONDS**

<b>Unlimited Tax General Obligation Bond Documents</b>	<b>Series of Unlimited Tax General Obligation Bonds</b>	<b>Balance as of Petition Date</b>
Resolution of the City Council adopted March 3, 1999 Finance Director's Order dated April 1, 1999	Series 1999-A	\$18,747,364
Amended and Restated Resolution of the City Council adopted April 6, 2001 and Supplement No. 1 to Amended and Restated Resolution, adopted June 13, 2001 (collectively, " <u>2001 UTGO Resolution</u> ") Finance Director's Order dated August 1, 2001 (" <u>2001 UTGO Sale Order</u> ")	Series 2001-A(1)	\$78,787,556
2001 UTGO Resolution 2001 UTGO Sale Order	Series 2001-B	\$4,063,616
Resolution of the City Council adopted July 24, 2002 Finance Director's Order dated August 2, 2002	Series 2002	\$6,745,767
Resolution of the City Council adopted September 19, 2003 Finance Director's Order dated October 9, 2003	Series 2003-A	\$34,908,150
Bond Authorizing Resolution adopted June 14, 2004 (" <u>2004 UTGO Resolution</u> ") Finance Director's Order dated August 27, 2004 (" <u>2004 UTGO Sale Order</u> ")	Series 2004-A(1)	\$39,872,258
2004 UTGO Resolution 2004 UTGO Sale Order	Series 2004-B(1)	\$38,206,678
2004 UTGO Resolution 2004 UTGO Sale Order	Series 2004-B(2)	\$736,241
Resolution of the City Council adopted July 6, 2005 (" <u>2005 UTGO Resolution</u> ") Finance Director's Order dated December 5, 2005 (" <u>2005 UTGO Sale Order</u> ")	Series 2005-B	\$45,452,501
2005 UTGO Resolution 2005 UTGO Sale Order	Series 2005-C	\$18,671,105

Unlimited Tax General Obligation Bond Documents	Series of Unlimited Tax General Obligation Bonds	Balance as of Petition Date
Resolution of the City Council adopted November 17, 2006 (" <u>2008 UTGO Resolution</u> ")  Finance Director's Order dated May 30, 2008 (" <u>2008 UTGO Sale Order</u> ")	Series 2008-A	\$59,487,564
2008 UTGO Resolution  2008 UTGO Sale Order	Series 2008-B(1)	\$28,982,532

**EXHIBIT I.A.285**

PRINCIPAL TERMS OF UTGO SETTLEMENT



**Term Sheet for Plan Treatment of UTGO Bond Claims and Related Insurer Claims  
SUBJECT TO FRE 408—MEDIATION/SETTLEMENT COMMUNICATION**

The Unlimited Tax General Obligation Bonds other than the City's 2010 A Bonds defined below (the "UTGOs") will be treated in the City's plan of adjustment (the "Plan") as follows: (i) for purposes of the Plan, the total UTGOs claim will be allowed in the amount of \$388 million, (ii) of which \$287.5 million principal amount of UTGOs shall be deemed reinstated on a pro rata basis (the "Reinstated UTGOs") pursuant to their respective terms (interest rate, maturity date and amortization remain the same), with all existing provisions, subject to the additional terms below, and (iii) the remaining portion of the UTGOs that are not Reinstated UTGOs (the "Stub UTGOs") shall remain outstanding and the rights to payment on the Stub UTGOs shall be assigned by the Plan (without any consent or action on the part of, or additional consideration payable to, the Bond Insurers or UTGOs bondholders) to [TBD/City designee]. The policies issued by the insurers of the UTGOs (the "Bond Insurers") shall remain outstanding to ensure payment of the debt service as originally scheduled for the UTGOs. Mechanics to accomplish all of the above shall be reasonably satisfactory to the Bond Insurers and the City.

Confirmation order/findings to (i) as of the effective date, confirm the existence of a lien in favor of the Reinstated UTGOs on ad valorem tax revenues (millage) in the full amount that was pledged to repay the original UTGOs (the "UTGOs Millage") for so long as either the Reinstated UTGOs or the Stub UTGOs are outstanding, (ii) find that the UTGOs Millage constitutes special revenues under Section 902 of the Bankruptcy Code, (iii) direct that all debt millage collected by the City must be segregated and transmitted no less often than weekly when receipts equal or exceed \$20,000 to U.S. Bank as escrow agent (the "Escrow Agent"), which shall promptly transfer amounts payable on the Reinstated UTGOs and the 2010A Bonds to the trustee (the "Master Trustee") under the City's Master Indenture, as amended, (the "Master Indenture"), as described below, and (iv) as of the effective date, find the existence of a statutory lien and trust on DSA (defined below) as provided in Section 15(2) of the Shared Credit Rating Act in favor of the MFA Bonds (defined below).

The confirmation order shall provide that each year no later than June 30, the City shall certify that it has imposed a debt millage levy projected to be an amount necessary to pay the debt service coming due on all unlimited tax general obligation bonds (including both the Reinstated UTGOs and the Stub UTGOs) before the next annual tax levy, including any past due amounts, plus any amounts necessary to reimburse the City for other City funds used to pay prior debt service, less any millage proceeds already on deposit with the Escrow Agent which are available to pay the debt service next coming due. Such annual certification shall be in form and substance acceptable to the City and the Bond Insurers, and shall be provided to the Bond Insurers. The City shall comply with applicable law in levying and collecting ad valorem millage levied to pay all unlimited tax general obligation bonds. The City will use reasonable efforts to explain the collection process to the Bond Insurers, including the allocation methods used for partial property tax payments.

On or before the Plan effective date, the Reinstated UTGOs shall be exchanged for bonds ("MFA Bonds") issued by the Michigan Finance Authority ("MFA"), which shall be secured by an unlimited tax general obligation bond of the City (the "Municipal Obligation") secured by a



fourth lien (the “DSA Lien”) on distributable state aid (“DSA”). With respect to the DSA Lien, the City shall not incur debt senior to the Municipal Obligation’s DSA Lien in an aggregate principal amount that exceeds \$ \_\_\_\_\_<sup>1</sup> from and after the date the parties reach agreement on this term sheet, unless and until the Reinstated UTGOs have been paid in full. Further, the City shall not incur debt *pari passu* with the DSA Lien that secures the Municipal Obligation from and after the date the parties reach agreement on this term sheet, unless and until the Reinstated UTGOs have been paid in full. The Municipal Obligation issued by the City to the MFA shall provide the same rights (other than priority) in and to DSA, and be entitled to the same protections, as the City’s Distributable State Aid Second Lien Bonds (Unlimited Tax General Obligation, Series 2010(A) (Taxable – Recovery Zone Economic Development Bonds) (the “2010A Bonds”) that are currently outstanding; provided, however that the City’s required date balance requirements shall be as described in the next paragraph. The ad valorem levy shall be used to pay the Reinstated UTGOs prior to the use of DSA revenues, in the same manner as provided for the 2010A Bonds. The City shall create a separate tax levy account (“Tax Levy Account”) for the Reinstated UTGOs under the Master Indenture related to the Municipal Obligation. To the extent the Master Trustee does not have on deposit in the Tax Levy Account the required portions of principal and interest due on the next October 1 or April 1 on the dates set forth below, the Master Indenture shall provide for the intercept of all, or such lesser amount of that month’s DSA distribution necessary to correct the deficiency.<sup>2</sup>

MONTH OF DSA PAYMENT	PORTION OF NEXT INTEREST PAYMENT	PORTION OF NEXT PRINCIPAL PAYMENT
November	1/3	4/6
January	2/3	5/6
March	100%	100%
September	100%	3/6

The proceeds of the ad valorem debt millage levy for all outstanding unlimited tax general obligation bonds, as received by the City, will be transferred to the Escrow Agent which shall allocate the revenue pro rata among such outstanding bonds The proceeds of the debt millage

<sup>1</sup> Dollar amount will represent existing senior lien (1<sup>st</sup>, 2<sup>d</sup> and 3<sup>rd</sup>) bonds secured by DSA plus existing DSA capacity based on FY 2012/13 DSA revenues. Existing 2<sup>d</sup> or 3<sup>rd</sup> lien bonds may be refinanced provided savings are realized in each year.

<sup>2</sup> Subject to confirmation by the Bond Insurers’ financial advisor that City’s projected cashflows demonstrate adequate coverage in August and September of each year.



levy allocated to the 2010A Bonds and any unlimited tax general obligation bonds other than the UTGOs shall be transferred by the Escrow Agent to the paying agent or trustee for the respective bonds. The proceeds of the debt millage levy allocated to the UTGOs will be transferred as received by the Escrow Agent (i) first, to the Tax Levy Account held by the Master Trustee for the Reinstated UTGO's in an amount sufficient, together with funds already on deposit therein to pay debt service due on the Reinstated UTGOs on the October 1 and April 1 following such deposit, together with any past due debt service on the Reinstated UTGOs, and (ii) second, to pay the scheduled debt service on the Stub UTGOs to the [assignee of the rights to payment on] the Stub UTGOs. Neither the holders of the MFA Bonds nor the Bond Insurers shall seek payment from the UTGOs Millage in excess of the amounts necessary to pay the Reinstated UTGOs scheduled annual debt service together with any amount necessary to pay past due Reinstated UTGOs debt service. The bond insurance applicable to the Reinstated UTGOs will transfer as part of this exchange of Reinstated UTGO for MFA Bonds, in a manner acceptable to the Bond Insurers.

The Emergency Manager, on behalf of the City, shall issue an order granting a lien on its interest in the DSA and, to the extent permitted by Section 12(1)(x) of Act 436 and subject to State Treasurer approval, the UTGOs Millage.

If the City's Plan is not effective by September 30, 2014 for any reason other than the actions or positions taken by any of the executing Bond Insurers, solely in their capacity as the insurers of the UTGOs, the City will pay into an escrow to be established with the current Paying Agent for the UTGOs the *pro rata* portion of the October 2014 UTGOs scheduled interest debt service payment, and any *pro rata* payments due thereafter, as if the transaction contemplated in this term sheet had closed (*i.e.*, City will pay into escrow the *pro rata* portion of scheduled UTGOs debt service payments on the \$287.5 million of Reinstated UTGOs due after September 30, 2014 through Plan effectiveness, on the same terms and schedule as set forth in the current UTGOs documents). Such escrow shall be subject to terms and conditions acceptable to the City and the Bond Insurers. In the event that the Plan is not effective by March 31, 2015, and the Bankruptcy Court has issued an order (that is not stayed pending appeal) approving the settlement embodied in this term sheet, the monies in such escrow will be released to the Bond Insurers, and the City will make all subsequent debt service payments directly as if the Reinstated UTGOs transaction had closed. If an order is entered but is subject to a stay pending appeal, the City shall continue to pay into escrow the *pro rata* portion of the scheduled UTGOs debt service on the Reinstated UTGOs for so long as such stay remains in effect, and shall release all monies in the escrow amounts as soon as such order is no longer subject to stay. If the City's Plan is not effective by September 30, 2014, then within fifteen (15) days of a request by the Bond Insurers thereafter, the City shall file a motion pursuant to Bankruptcy Rule 9019 with the Bankruptcy Court seeking approval of the settlement embodied in this term sheet. The City and the Bond Insurers may mutually agree to seek Court approval of this settlement pursuant to Bankruptcy Rule 9019 at any time.

Bond counsel to provide at closing customary legal opinions relating to the validity, priority and enforceability of any MFA transaction in form and substance reasonably satisfactory to the Bond Insurers; such opinions will include standard bankruptcy opinion exceptions. No opinion will be provided with respect to any aspect of any lien on UTGOs Millage.



The City will communicate to the Bond Insurers the substance and ultimate results of the State's efforts to establish oversight of the City's finances and budget on a post-confirmation basis.

"Most Favored Nations" clause (the "MFN") in favor of Reinstated UTGOs shall provide that (i) as of Plan confirmation, the Plan recovery percentage for the Reinstated UTGOs as a whole shall be greater than the Plan recovery percentage for each impaired unsecured (or deemed unsecured) class of Limited Tax General Obligation Bond Claims and COP Claims (each as defined in the Plan and collectively, the "Impaired Unsecured Financial Creditors") and (ii) if actual recoveries from and after the Plan effective date on any instrument or combination of instruments or any other interests provided to any class of Impaired Unsecured Financial Creditors results in such class receiving over time 69.5% of the allowed claim for any such class, then the City will pay to the Bond Insurers (in reimbursement for their payment of claims) an amount equal to the percentage recovery of the Impaired Unsecured Financial Creditors that exceeds 69.5% multiplied by \$100.5 million.<sup>3</sup> For purposes of this term sheet, all actual recoveries for Impaired Unsecured Financial Creditors shall be determined by discounting the payments using a 5% discount rate back to the date of Plan confirmation. Under no circumstance shall any Impaired Unsecured Financial Creditors recover more than the UTGOs.

All Plan documents, the confirmation order and findings of fact, in each case, as they relate to the settlement embodied in this term sheet (i) to be in form and substance reasonably satisfactory to the executing Bond Insurers and to the City and be consistent with this term sheet, (ii) to provide that Plan treatment for UTGOs is part of a Bankruptcy Rule 9019 settlement of the pending UTGOs litigation (which litigation shall be stayed pending the effective date of a plan confirming this settlement), and (iii) to include a provision providing that the Bankruptcy Court will have post-confirmation authority and power to enforce the settlement, including the Reinstated UTGOs.

The Bond Insurers will support the treatment of the UTGOs in the City's Plan on the terms set forth herein and will vote the UTGOs claims in support of such Plan treatment. The Plan shall provide that such treatment, consistent with this term sheet, is the treatment for the entire class of UTGOs. The Bond Insurers will provide support to the City for their voting rights.

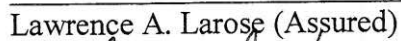
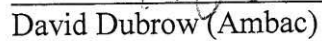
All settlement documentation will be reasonably satisfactory to all parties to this term sheet. This term sheet is for discussion purposes only and does not constitute an offer or other binding obligation of the parties, including the executing Bond Insurers and City of Detroit.

The contents of this Term Sheet shall be held in confidence and not be disclosed to any third party without the consent of the Mediator.

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<sup>3</sup> For example, assuming that a class of Impaired Unsecured Financial Creditors were to receive, after giving effect to the 5% discount rate, a 70% recovery on account of their allowed claims, the additional recovery to the Bond Insurers under the MFN would be \$502,500.

The undersigned confirm that the attached Term Sheet reflects the agreement of their respective clients.

  
\_\_\_\_\_  
Jeffrey Bjork (NPFG)  
\_\_\_\_\_  
Lawrence A. Larose (Assured)  
\_\_\_\_\_  
David Dubrow (Ambac)  
\_\_\_\_\_  
David Heiman (City of Detroit)

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**EXHIBIT II.B.3.g.ii.A**

**SCHEDULE OF PAYMENTS AND SOURCES OF  
PAYMENTS FOR MODIFIED PFRS PENSION BENEFITS**

City of Detroit  
PFRS Pension contributions (FY14 - FY23)  
\$ in millions

PFRS	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	10-Year
Source:											
State	\$ -	\$ 96.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 96.0
Foundations	-	18.3	18.3	18.3	18.3	18.3	18.3	18.3	18.3	18.3	164.7
Total	-	114.3	18.3	18.3	18.3	18.3	18.3	18.3	18.3	18.3	260.7

**EXHIBIT II.B.3.g.ii.C**

**TERMS OF PFRS PENSION RESTORATION**

## **Terms of PFRS Pension Restoration**

### **Pension Restoration Process**

The following rules shall govern how accrued pensions, including COLA benefits, that are reduced as part of the Plan of Adjustment, shall be restored during the thirty year period following the Confirmation Order. The pension restoration process shall be supervised and restoration decisions undertaken by the Investment Committee of each of PFRS or GRS, or except as may be otherwise provided in the pension governance provisions set forth in the State Contribution Agreement and exhibits thereto.

### **GENERAL RESTORATION RULES**

#### **I. PFRS RESTORATION**

##### **1. Waterfall Categories**

There will be three Waterfall Classes:

- a. PFRS Waterfall Class 1 – Retirees in retirement benefit pay status as of June 30, 2014, and their surviving spouses and beneficiaries
- b. PFRS Waterfall Class 2 – Retirees, who entered into retirement benefit pay status after June 30, 2014, and their surviving spouses and beneficiaries, and who are in pay status as of the end of the PFRS Fiscal Year prior to the year in which the restoration decision is made
- c. PFRS Waterfall Class 3 – All retirees, surviving spouses, and beneficiaries in pay status and all other PFRS participants who as of June 30, 2014 are not in retirement benefit pay status

##### **2. General PFRS Pension Restoration Through June 30, 2023**

Each year in conjunction with the annual actuarial valuation report, the PFRS actuary will project the PFRS Funded Ratio as of 2023 based upon the market value of plan assets relative to the actuarial accrued liabilities (the “Funded Level”). This projection will be further based upon a 6.75% assumed rate of investment return which is net of expenses, future employer contributions as set forth in the Plan of Adjustment and such other actuarial assumptions as utilized by the PFRS actuary. The Projected Funded Level will be 75%, and the Restoration Target will be 78%, both projected to June 30, 2023. If the actuary projects that Funded Level as of 2023 exceeds the Restoration Target (i.e., 78%), a credit of assets for bookkeeping purposes will be made into a notional Restoration Reserve Account. The notional credit will be an amount equal to the excess of assets above the amount needed to satisfy the Restoration Target. Each year thereafter, additional assets will be credited to the Restoration



Reserve Account equal to the net return on plan investments but capped at the actuarially assumed rate of investment return (i.e., 6.75% for the period through June 30, 2023) In the event of net losses, the credited asset value of the Restoration Reserve Account will be diminished.

Actual restoration payments and restoration credits will work as follows: each year in conjunction with the preparation of the annual actuarial valuation report and following establishment of the Restoration Reserve Account, the PFRS actuary will determine whether there are sufficient funds in such account to restore COLA benefits in a minimum amount of 10% or more . For Example: If a retiree's then current COLA benefit is a 1.0% annual compounded COLA, the minimum incremental restoration would increase the COLA benefit to 1.225%. COLA restoration only will occur if the funding level in the Restoration Reserve Account can fund 100% of the COLA increase over the actuarially-projected lives of the eligible recipient PFRS Waterfall Class. If the actuary certifies that the Restoration Reserve Account as of the end of the prior PFRS fiscal year satisfies the required funding level, then in the next immediate PFRS fiscal year, actual COLA restoration payments will be made to PFRS Waterfall Class 1 members until an amount sufficient to fund 66% of the value of their future COLA payments has been funded . At that juncture, and to the extent that additional assets in the Restoration Reserve Account will fully fund COLA restoration in at least one minimum 10% increment (i.e., amounts equal to 10% of the value of future COLA payments), PFRS Waterfall Class 2 members will receive COLA restoration until an amount sufficient to fund 66% of the value of their future COLA payments has been funded . At that juncture, and to the extent that additional assets in the Restoration Reserve Account will fully fund COLA restoration in at least one minimum 10% increment (i.e., amounts equal to 10% of the value of future COLA payments), PFRS Waterfall Class 3 members will receive COLA restoration on a pro-rata basis. For PFRS Waterfall Class 3 members who are in pay status at that time of restoration, they will receive COLA payments; for active employees at the time of restoration, they will receive credits granting them a right upon retirement to receive COLA restoration equal to the 10% increments that are fully funded to PFRS Waterfall Class 3 members. For Example: Assume there are sufficient assets credited to the Restoration Reserve Account as of the end of a fiscal year to fully fund 66% of the value of the COLA for all PFRS Waterfall Class 1 and Class 2 members. To the extent additional assets are available in the Restoration Reserve Account, to fully fund at least a 10% COLA increment, all retirees would receive a restoration payment of 76% of the value of their COLAs and a 10% COLA increment would be credited to eligible active employees which would be included in their benefit payments upon retirement (thus causing their COLAs to increase in value from 45% to 55% ). Restoration amounts actually paid from the Restoration Reserve Account will be debited from such account.

Once restoration payments and credits begin, as long as the Restoration Reserve Account continues to have assets to fund 100%% of an incremental COLA

restoration amount for such Waterfall Class for their actuarially projected lives, the restoration payments and credits will continue; provided, however, that in the event the PFRS Funding Level projected to 2023 falls below 76% (hereinafter, "Restoration Reserve Suspension Trigger"), then further allocations to the notional Restoration Reserve Account will cease notwithstanding the actual net PFRS investment returns for the fiscal year in question. Furthermore, if the PFRS funded level projected to 2023 falls below the Projected Funded Level (75%) then restoration payments to retirees and credits to active employees in the following year will be modified in the following manner: (1) funds previously credited to the Restoration Reserve Account will be notionally transferred and credited to the PFRS Pension Reserve Account in sufficient amounts to restore PFRS funded level to 75%; (2) if following such transfer, the remaining Restoration Reserve Account assets (if any) are sufficient to fully fund one or more COLA restoration increments (i.e., 10% COLA values) to one or more PFRS Waterfall Class categories, then as to such increments, the restoration payments shall continue.

In connection with preparation of the actuarial report for FY 2023, the PFRS actuary will determine whether PFRS has satisfied the Permanent Restoration Target of 78%. Transfers from the Restoration Reserve Account for credit to the PFRS Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If the PFRS Funded Level as of June 30, 2023 is equal to or greater than the Permanent Restoration Target of 78%, then the amounts in the Restoration Reserve Account that fully fund incremental COLA restoration payments for a PFRS Waterfall Class shall be transferred from the Restoration Reserve Account and credited to the PFRS Pension Reserve Account and the applicable incremental COLA payments shall be permanently restored and shall no longer be variable.

### 3. General PFRS Pension Restoration from July 1, 2023 to June 30, 2033.

During this period, the Projected Funded Level will be [85%], the Restoration Target shall be [88%], and the Restoration Reserve Suspension Trigger shall be [86%] all as of 2033. The same rules for restoration payments that applied during the period ending June 30, 2023 shall apply except as follows. For purposes of determining whether the 2033 Restoration Target has been satisfied, the Plan actuary shall project investment returns through June 30, 2033 at the then current investment return assumption and the applicable actuarial assumptions as utilized in the annual actuarial valuation. Further, the Plan actuary shall assume, for purposes of satisfying the Restoration Target, that the annual City contribution amount shall be the annual amount of contributions necessary to fund the PFRS based upon an amortization of the actual 2023 UAAL (using the market value of assets) (with interest on the outstanding principal at the then investment return rate) over 30 years (hereinafter, the "2023 UAAL Amortization"). To the extent that the City's actual contributions to the PFRS in any of the FYs 2024 through 2033 are greater than the projected annual

contribution under the 2023 UAAL Amortization, such amounts, and any investment earnings thereon, shall be notionally credited to a new bookkeeping account in PFRS called the Extra Contribution Account. In determining pension restoration during the period from FY 2023 through 2033, none of the amounts in the Extra Contribution Account shall be considered for purposes of determining the projected Funded Level for the Restoration Trigger. To the extent that the City's actual contributions to the PFRS in any of the FYs 2023 through 2033 are less than the projected annual contribution under the 2023 UAAL Amortization, such difference and any investment earnings thereon shall be notionally allocated to the Restoration Reserve Account.

Each year in addition to the credit of assets above the Restoration Target, additional assets will be allocated to the Restoration Reserve Account, equal to the net return on plan investments, but capped at the then actuarial investment return assumption.

In connection with preparation of the annual actuarial valuation report for FY 2033, the PFRS actuary will determine whether PFRS has satisfied the Permanent Restoration Target of [88%]. Transfers from the Restoration Reserve Account for credit to the PFRS Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If the funding level as of June 30, 2033 is equal to or greater than the Permanent Restoration Target of [88%], then the amounts in the Restoration Reserve Account that fully fund incremental COLA restoration payments for a Waterfall Class shall be transferred from the Restoration Reserve Account and credited to the PFRS Pension Reserve Account and the applicable incremental COLA payments shall be permanently restored and shall no longer be variable.

#### 4. General PFRS Pension Restoration from July 1, 2033 to June 30, 2043.

During this period, the Projected Funded Level will be [92%], the Restoration Target shall be [95%], and the Restoration Reserve Suspension Trigger shall be [93%]. The same rules for restoration that applied during the period ending June 30, 2033 shall otherwise apply.

In connection with preparation of the annual actuarial valuation report for FY 2043, the PFRS actuary will determine whether PFRS has satisfied the Permanent Restoration Target of [95%]. Transfers from the Restoration Reserve Account for credit to the PFRS Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If the funding level as of June 30, 2043 is equal to or greater than the Permanent Restoration Target of [95%], then the amounts in the Restoration Reserve Account that fully fund incremental COLA restoration payments for a Waterfall Class shall be transferred from the Restoration Reserve Account and credited to

the PFRS Pension Reserve Account and the applicable incremental COLA payments shall be permanently restored and shall no longer be variable.

**EXHIBIT II.B.3.r.ii.A**

**SCHEDULE OF PAYMENTS AND SOURCES OF  
PAYMENTS FOR MODIFIED GRS PENSION BENEFITS**

City of Detroit

GRS Pension contributions (FY14 - FY23)

\$ in millions

GRS		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	10-Year
Source:												
DWSD	\$	-	\$ 65.4	\$ 45.4	\$ 45.4	\$ 45.4	\$ 45.4	\$ 45.4	\$ 45.4	\$ 45.4	\$ 45.4	\$ 428.5
UTGO	-		4.4	4.0	4.0	3.9	3.7	3.7	3.6	2.3	2.0	31.7
State	-		98.8	-	-	-	-	-	-	-	-	98.8
DIA	-		5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	45.0
Other	-		14.6	22.5	22.5	22.5	22.5	2.5	2.5	2.5	2.5	114.6
Total	-		188.2	76.9	76.9	76.8	76.6	56.5	56.5	55.2	54.9	718.6

**EXHIBIT II.B.3.r.ii.C**

**TERMS OF GRS PENSION RESTORATION**

## **Terms of GRS Pension Restoration**

### **Pension Restoration Process**

The following rules shall govern how accrued pensions, including COLA benefits, that are reduced as part of the Plan of Adjustment, shall be restored during the thirty year period following the Confirmation Order. The pension restoration process shall be supervised and restoration decisions undertaken by the Investment Committee of each of PFRS or GRS, or except as may be otherwise provided in the pension governance provisions set forth in the State Contribution Agreement and exhibits thereto.

### **GENERAL RESTORATION RULES**

#### **I. GRS RESTORATION**

##### **1. Waterfall Categories**

There will be three Waterfall Classes:

- a. GRS Waterfall Class 1 – Retirees, in retirement benefit pay status as of June 30, 2014, and their surviving spouses and beneficiaries
- b. GRS Waterfall Class 2 – Retirees, who entered into retirement benefit pay status after June 30, 2014, and their surviving spouses, and beneficiaries, and who are in pay status as of the end of the GRS Fiscal Year prior to the year in which the restoration decision is made
- c. GRS Waterfall Class 3 – All other GRS participants who as of June 30, 2014 are not in retirement benefit pay status

##### **2. General GRS Pension Restoration Through June 30, 2023**

Each year in conjunction with the annual actuarial valuation report, the GRS Plan actuary will project the GRS Funded Ratio as of 2023 based upon the market value of plan assets relative to the Actuarial Accrued Liabilities (the “Funded Level”). This projection will be further based upon a 6.75% assumed rate of investment return which is net of expenses, future employer contributions as set forth in the Plan of Adjustment and such other actuarial assumptions as utilized by the GRS actuary. The Projected Funded Level will be 70%, the Restoration Target will be 75%, and the Restoration Reserve Suspension Trigger will be 71%, all projected to June 30, 2023. If the actuary projects that the Funded Level as of June 30, 2023 exceeds the Restoration Target (i.e., 75%), a credit of assets for bookkeeping purposes will be made into a new notional Restoration Reserve Account. The notional credit will be in an amount equal to the excess of assets above the amount needed to satisfy the Restoration Target. Each year thereafter, additional assets will be credited to the Restoration Reserve Account,



equal to the net return on plan investments, but capped at actuarially assumed rate of investment return (i.e., 6.75% for the period through June 30, 2023). In the event of net losses, the credited asset value of the Restoration Reserve Account will be diminished.

Actual restoration payments and credits will work as follows: Each year in conjunction with preparation of the annual actuarial valuation report and following establishment of the Restoration Reserve Account, the GRS actuary will determine whether there are sufficient funds in such account to restore a portion of the 4.5% across the board pension cuts in minimum incremental portions equal to  $\frac{1}{2}\%$  of the monthly benefit for each member of GRS Waterfall Class 1 (i.e. reducing the initial across the board cut to 4.0%). This restoration only occurs if the funded level in the Restoration Reserve Account can fund 100% of each incremental increase over the remaining actuarially-projected lives of the eligible recipients in GRS Waterfall Class 1. If the Restoration Reserve Account satisfies the required funding level, then in the next GRS fiscal year, actual restoration payments will be made to Waterfall Class 1 members in amounts equal to the increments that have been fully funded in the Restoration Reserve Account. Once Waterfall Class 1 has sufficient assets in the GRS Restoration Reserve Account to fully fund and restore the 4.5% cut in their monthly benefits, and to the extent that additional assets in the Restoration Reserve Account remain and will fully fund at least  $\frac{1}{2}\%$  of the monthly benefit for each member of GRS Waterfall Class 2, then GRS Waterfall Class 2 members will receive pension restoration in minimum  $\frac{1}{2}\%$  benefit increments until an amount equal to the 4.5% cuts in their monthly benefits has been fully funded. At that juncture, and to the extent that additional assets in the Restoration Reserve Account remain and will fund at least a minimum  $\frac{1}{2}\%$  of the monthly benefit of each member in GRS Waterfall Class 3, then each such member of the class shall receive a credit granting them a right upon retirement to receive pension restoration equal to the benefit increments that are fully funded.

After the full 4.5% across the board pension cuts are restored for all three GRS Waterfall Classes, and to the extent there are additional assets in the Restoration Reserve Account, such assets will be used to fully fund and restore a portion of the COLA values that were eliminated as part of the POA. COLA will be restored in minimum 10% COLA value increments up to 50% of the future COLA values for each member of GRS Waterfall Class 1, then up to 50% of the future COLA values for each member of Waterfall Class 2, and then up to 50% of the future COLA values for each member of Waterfall Class 3 until all members of the three GRS Waterfall Classes have had 50% of the value of their COLAs fully funded and restored. After 50% of the future values of COLA have been fully funded and restored, and to the extent there are additional assets in the Restoration Reserve Account for each of the three GRS Waterfall Classes, then a second 50% COLA restoration will be made, first to members of GRS Waterfall Class 1, then Waterfall Class 2, and then Waterfall Class 3. Classes will be restored in minimum 10% COLA value increments.

If the amounts in the Restoration Reserve Account are sufficient to fully-fund the 4.5% across the board pension cuts for all three GRS Waterfall Classes and 100% COLA restoration for all three GRS Waterfall Classes, then any additional assets in the Restoration Reserve Account shall be used to increase the frozen accrued benefits of active and other GRS participants whose ASF accounts were diminished as part of the ASF Recoupment, such that they receive treatment equal to the 20/20 CAP applied to retirees in pay status under the Plan of Adjustment. If after such pension restoration there are additional assets in the Restoration Reserve Account, GRS Waterfall Class 1 members will receive pension restoration in ½% benefit increments of the reductions to their monthly pension due to ASF Recoupment, and once such pension benefits are restored, Waterfall Class 2 members will receive pension restoration in ½% benefit increments in connection with the reductions to their monthly pensions due to ASF Recoupment.

Once restoration payments to applicable retirees and restoration credits to active employees begin, as long as the Restoration Reserve Account continues to have assets sufficient to fund 100% of an incremental pension restoration amount for such GRS Waterfall Class members for their actuarially projected lives, such restoration payments and credits will continue; provided, however, that in the event the GRS Funded Level falls below the Restoration Reserve Suspension Trigger, then further credits to the notional Restoration Reserve Account will cease notwithstanding the actual net GRS investment returns for the fiscal year in question. Furthermore, if the GRS funded level projected to 2023 falls below the Projected Funded Level (70%) then restoration payments and credits in the following year will be modified in the following manner:. (1) funds previously credited to the Restoration Reserve Account will be notionally transferred and credited to the GRS Pension Reserve Account in sufficient amounts to restore GRS funding to 70%; (2) if following such transfer, the remaining Restoration Account Assets (if any) are sufficient to fully fund one or more pension restoration increments (e.g., a ½% monthly pension benefit) to one or more GRS Waterfall Class categories, then as to such increments the restoration payments shall continue.

In connection with preparation of the actuarial report for FY 2028, the GRS actuary will determine whether GRS has satisfied the Permanent Restoration Target of 75%. Transfers from the Restoration Reserve Account for credit to the GRS Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If the GRS Funded Level as of June 30, 2028 is equal to or greater than the Permanent Restoration Target of 75%, then the amounts in the Restoration Reserve Account that fully fund incremental pension restoration payments for a GRS Waterfall Class shall be transferred from the Restoration Reserve Account and credited to the GRS Pension Reserve Account and the applicable incremental COLA payments shall be permanently restored and shall no longer be variable.

3. General GRS Pension Restoration from July 1, 2023 to June 30, 2033.

During this period, the Projected Funded Level will be [82%], the Restoration Target shall be [85%], and the Restoration Reserve Suspension Trigger shall be [83%]. The same rules for restoration payments and credits that applied during the period ending June 30, 2023 shall apply except as follows. For purposes of determining whether the 2033 Restoration Target has been satisfied, the Plan actuary shall project investment returns through June 30, 2033 at the then current investment return assumption and the applicable actuarial assumptions as utilized in the annual actuarial valuation. Further, the GRS Plan actuary shall assume, for purposes of satisfying the Restoration Target, that the annual City contribution amount shall be the annual amount of contributions necessary to fund the GRS based upon an amortization of the actual 2023 UAAL at market value (with interest on the outstanding principal at the then investment return rate) over 30 years (hereinafter, the "2023 UAAL Amortization"). To the extent that the City's actual contributions to the GRS in any of the FYs 2024 through 2033 are greater than the projected annual contribution under the 2023 UAAL Amortization, such amounts, and any investment earnings thereon, shall be notionally credited to a new bookkeeping account in GRS called the Extra Contribution Account. In determining pension restoration during the period from FY 2023 through 2033, none of the amounts in the Extra Contribution Account shall be considered for purposes of determining the projected Funded Level for the Restoration Trigger. To the extent that the City's actual contributions in any of the FYs 2024 through 2033 are less than the projected annual contribution under the 2023 UAAL Amortization, such difference and any investment earnings thereon shall be notionally allocated to the Restoration Reserve Account. .

Each year, in addition to the credit of assets above the Restoration Target, additional assets will be credited to the Restoration Reserve Account, equal to the net return on plan investments, but capped at the then investment return assumption.

In connection with preparation of the annual actuarial valuation report for FY 2033, the GRS actuary will determine whether GRS has satisfied the Permanent Restoration Target ([83%]). Transfers from the Restoration Reserve Account for credit to the GRS Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If the funding level as of June 30, 2033 is equal to or greater than the Restoration Target funded, then the amounts in the Restoration Reserve Account that fully fund at minimum one or more incremental pension restoration payments for a Waterfall Class shall be transferred from the Restoration Reserve Account and credited to the GRS Pension Reserve Account and the applicable incremental COLA payments shall be permanently restored and shall no longer be variable.

4. General GRS Pension Restoration from July 1, 2033 to June 30, 2043.

During this period, the Projected Funded Level will be [90%], the Restoration Target shall be [93%], and the Restoration Reserve Suspension Trigger shall be [91%]. The same rules for restoration that applied during the period ending June 30, 2033 shall otherwise apply.

In connection with preparation of the annual actuarial valuation report for FY 2043, the GRS actuary will determine whether GRS has satisfied the Permanent Restoration Target [91%]. Transfers from the Restoration Reserve Account for credit to the GRS Pension Reserve Account may be made in such amounts as are necessary to satisfy the Permanent Restoration Target. If the funding level as of June 30, 2043 is equal to or greater than the Permanent Restoration Target , then the amounts in the Restoration Reserve Account that fully fund at minimum one or more incremental pension restoration payments for a Waterfall Class shall be transferred from the Restoration Reserve Account and credited to the GRS Pension Reserve Account and the applicable incremental COLA payments shall be permanently restored and shall no longer be variable.

**EXHIBIT B**

**SEWAGE DISPOSAL SYSTEM BONDS & RELATED DWSD REVOLVING SEWER BONDS**

**DWSD SEWER BONDS & RELATED DWSD  
REVOLVING SEWER BONDS AS OF THE PETITION DATE**

	<b>Bond Date</b>	<b>Amount Issued</b>	<b>Range of Interest Rates</b>	<b>Maturity Date</b>	<b>Principal Due as of Petition Date</b>	<b>Insurer</b>	
<b>Sewage Disposal System Revenue Bonds:</b>							
Series 1998-A	12-14-06	\$ 67,615,000	5.25 to 5.50 %	7/1/12-23	\$ 62,610,000	NPFG	b
Series 1998-B	12-14-06	67,520,000	5.25 to 5.50	7/1/12-23	62,165,000	NPFG	b
Series 1999-A (* *)	12-1-99	33,510,118	0.00	7/1/12-21	55,576,628	NPFG	
Series 2001-B	9-15-01	110,550,000	5.50	7/1/23-29	110,550,000	NPFG	
Series 2001-C (1)	6-5-09	154,870,000	5.25 to 7.00	7/1/12-27	152,375,000	Assured Guaranty	b
Series 2001-C (2)	5-8-08	122,905,000	3.50 to 5.25	7/1/14-29	121,355,000	NPFG/Berkshire Hathaway	b
Series 2001-D	9-23-01	92,450,000	Variable (a)	7/1/32	21,300,000	NPFG	b
Series 2001-E	5-7-08	136,150,000	5.75	7/1/24-31	136,150,000	FGIC/Berkshire Hathaway	b
Series 2003-A	5-22-03	599,380,000	3.50 to 5.50	7/1/12-32	184,335,000	Assured Guaranty	b
Series 2003-B	6-5-09	150,000,000	7.50	7/1/32-33	150,000,000	Assured Guaranty	b
Series 2004-A	1-09-04	101,435,000	5.00 to 5.25	7/1/12-24	60,795,000	Assured Guaranty	
Series 2005-A	3-17-05	273,355,000	3.60 to 5.125	7/1/12-35	237,885,000	NPFG	b
Series 2005-B	3-17-05	40,215,000	5.00 to 5.50	7/1/12-22	37,195,000	NPFG	
Series 2005-C	3-17-05	63,160,000	5.00	7/1/12-25	49,580,000	NPFG	b
Series 2006-A	5-7-08	123,655,000	5.50	7/1/34-36	123,655,000	MBIA/Berkshire Hathaway	b
Series 2006-B	8-10-06	250,000,000	4.25 to 5.00	7/1/12-36	243,240,000	NPFG	b
Series 2006-C	8-10-06	26,560,000	5.00 to 5.25	7/1/16-18	26,560,000	NPFG	b
Series 2006-D	12-14-06	370,000,000	Variable (a)	7/1/12-32	288,780,000	Assured Guaranty	b
Series 2012-A	6-26-12	659,780,000	5.00 to 5.50	7/1/14-39	659,780,000	Assured Guaranty & Uninsured	b

**Total Sewage Disposal System Revenue Bonds**

**\$2,783,886,628**

\* \* - Capital Appreciation Bonds

a - Interest rates are set periodically at the stated current market interest rate.

b - Indicates certain of bonds within series are callable under terms specified in the indenture; all other bonds are noncallable.

	<u>Bond Date</u>	<u>Amount Issued</u>	<u>Range of Interest Rates</u>	<u>Maturity Date</u>	<u>Principal Due as of Petition Date</u>
<b>DWSD Revolving Sewer Bonds:</b>					
Series 1992-B-SRF	9-10-92	\$ 1,915,000	2.00 %	10/1/12-13	\$ 115,000
Series 1993-B-SRF	9-30-93	6,603,996	2.00	10/1/12-14	775,000
Series 1997-B-SRF	9-30-97	5,430,174	2.25	10/1/12-18	1,870,000
Series 1999-SRF-1	6-24-99	21,475,000	2.50	4/1/13-20	8,750,000
Series 1999-SRF-2	9-30-99	46,000,000	2.50	10/1/12-22	25,860,000
Series 1999-SRF-3	9-30-99	31,030,000	2.50	10/1/12-20	14,295,000
Series 1999-SRF-4	9-30-99	40,655,000	2.50	10/1/12-20	18,725,000
Series 2000-SRF-1	3-30-00	44,197,995	2.50	10/1/12-22	21,947,995
Series 2000-SRF-2	9-28-00	64,401,066	2.50	10/1/12-22	36,051,066
Series 2001-SRF-1	6-28-01	82,200,000	2.50	10/1/12-24	54,145,000
Series 2001-SRF-2	12-20-01	59,850,000	2.50	10/1/12-24	39,430,000
Series 2002-SRF-1	6-27-02	18,985,000	2.50	4/1/13-23	10,660,000
Series 2002-SRF-2	6-27-02	1,545,369	2.50	4/1/13-23	865,369
Series 2002-SRF-3	12-19-02	31,549,466	2.50	10/1/12-24	19,189,466
Series 2003-SRF-1	6-28-03	48,520,000	2.50	10/1/12-25	34,215,000
Series 2003-SRF-2	9-25-03	25,055,370	2.50	4/1/13-25	16,390,370
Series 2004-SRF-1	6-24-04	2,910,000	2.125	10/1/12-24	1,890,000
Series 2004-SRF-2	6-24-04	18,353,459	2.125	4/1/13-25	11,888,459
Series 2004-SRF-3	6-24-04	12,722,575	2.125	4/1/13-25	8,232,575
Series 2007-SRF-1	9-20-07	156,687,777	1.625	10/1/12-29	135,769,896
Series 2009-SRF-1	4-17-09	22,684,557	2.50	4/1/13-30	9,806,301
Series 2010-SRF-1	1-22-10	6,793,631	2.50	4/1/13-31	3,358,917
Series 2012-SRF	8-30-12	14,950,000	2.50	10/1/15-34	7,430,497

**Total DWSD Revolving Sewer Bonds Payable**

**\$481,660,911**

**EXHIBIT C**

**WATER SYSTEM BONDS & RELATED DWSD REVOLVING WATER BONDS**



**DWSD WATER BONDS & RELATED DWSD  
REVOLVING WATER BONDS AS OF THE PETITION DATE**

	<b>Bond Date</b>	<b>Amount Issued</b>	<b>Range of Interest Rates</b>	<b>Maturity Date</b>	<b>Principal Due as of Petition Date</b>	<b>Insurer</b>	
<b>Water Supply System Revenue Bonds:</b>							
Series 1993	10-15-93	\$ 38,225,000	6.50%	7/1/14-15	\$ 24,725,000	NPFG	
Series 1997-A	8-01-97	186,220,000	6.00	7/1/14-15	13,430,000	NPFG	
Series 2001-A	5-01-01	301,165,000	5.00	7/1/29-30	73,790,000	NPFG	b
Series 2001-C	5-14-08	190,405,000	3.50 to 5.75	7/1/14-29	188,250,000	FGIC/ Berkshire Hathaway	b
Series 2003-A	1-28-03	234,805,000	4.50 to 5.00	7/1/19-34	178,785,000	NPFG	b
Series 2003-B	1-28-03	41,770,000	5.00	7/1/34	41,770,000	NPFG	b
Series 2003-C	1-28-03	29,660,000	4.25 to 5.25; Some are Variable (a)	7/1/13-22	27,655,000	NPFG	b
Series 2003-D	8-14-06	142,755,000	4.00 to 5.00	7/1/12-33	140,585,000	NPFG	b
Series 2004-A	8-14-06	72,765,000	4.50 to 5.25	7/1/12-25	68,600,000	NPFG	b
Series 2004-B	8-14-06	153,830,000	4.00 to 5.00	7/1/12-23	114,710,000	NPFG	b
Series 2005-A	3-11-05	105,000,000	3.80 to 5.00	7/1/12-35	88,385,000	NPFG	b
Series 2005-B	5-14-08	194,900,000	4.00 to 5.50	7/1/14-35	187,335,000	FGIC/ Berkshire Hathaway	b
Series 2005-C	3-11-05	126,605,000	5.00	7/1/12-22	109,205,000	NPFG	b
Series 2006-A	8-14-06	280,000,000	5.00	7/1/13-34	260,170,000	Assured Guaranty	b
Series 2006-B	4-1-09	120,000,000	3.00 to 7.00	7/1/12-36	119,700,000	Assured Guaranty	b
Series 2006-C	8-14-06	220,645,000	4.00 to 5.00	7/1/12-33	216,680,000	Assured Guaranty	b
Series 2006-D	8-14-06	146,590,000	4.00 to 5.00	7/1/12-32	142,205,000	Assured Guaranty	b
Series 2011-A	12-22-11	379,590,000	5.00 to 5.75	7/1/12-41	370,810,000	Uninsured	b
Series 2011-B	12-22-11	17,195,000	3.60 to 6.00	7/1/12-33	15,470,000	Uninsured	b
Series 2011-C	12-22-11	103,890,000	4.50 to 5.25	7/1/12-41	102,665,000	Uninsured	b

**Total Water System Revenue Bonds**

**\$2,484,925,000**

a - Interest rates are set periodically at the stated current market interest rate.

b - Indicates certain of bonds within series are callable under terms specified in the indenture; all other bonds are noncallable.

	<u>Bond Date</u>	<u>Amount Issued</u>	<u>Range of Interest Rates</u>	<u>Maturity Date</u>	<u>Principal Due as of Petition Date</u>
<b>DWSD Revolving Water Bonds:</b>					
Series 2005 SRF-1	9-22-05	\$13,805,164	2.125 %	10/1/13-26	\$9,960,164
Series 2005 SRF-2	9-22-05	8,891,730	2.125	10/1/13-26	6,241,730
Series 2006 SRF-1	9-21-06	5,180,926	2.125	10/1/13-26	3,715,926
Series 2008 SRF-1	9-29-08	2,590,941	2.500	10/1/13-28	1,535,941
<b>Total DWSD Revolving Water Bonds Payable</b>					<b><u>\$21,453,761</u></b>

**EXHIBIT D**

UNLIMITED TAX GENERAL OBLIGATION BONDS

**UNLIMITED TAX GENERAL OBLIGATION BONDS**

**Unsecured Unlimited Tax General Obligation Bonds**

	<b>Issue Date</b>	<b>Amount Issued</b>	<b>Range of Interest Rates</b>	<b>Maturity Date</b>	<b>Balance as of Petition Date</b>	<b>Insurer</b>	
Series 1999-A	4-1-99	\$28,020,000	5.00 to 5.25 %	4/1/13-19	\$18,747,364	Assured Guaranty	b
Series 2001-A(1)	7-15-01	83,200,000	5.00 to 5.375	4/1/13-21	78,787,556	MBIA	b
Series 2001-B	7-15-01	23,235,000	5.375	4/1/13-14	4,063,616	MBIA	b
Series 2002	8-2-02	29,205,000	4.00 to 5.13	4/1/13-22	6,745,767	MBIA	b
Series 2003-A	10-21-03	44,020,000	3.70 to 5.25	4/1/13-23	34,908,150	Syncora	b
Series 2004-A(1)	9-9-04	39,270,000	4.25 to 5.25	4/1/19-24	39,872,258	Ambac	b
Series 2004-B(1)	9-9-04	53,085,000	3.75 to 5.25	4/1/13-18	38,206,678	Ambac	b
Series 2004-B(2)	9-9-04	17,270,000	4.16 to 5.24	4/1/13-18	736,241	Ambac	
Series 2005-B	12-1-05	51,760,000	4.00 to 5.00	4/1/13-25	45,452,501	Assured Guaranty	b
Series 2005-C	12-1-05	30,805,000	4.00 to 5.25	4/1/13-20	18,671,105	Assured Guaranty	a b
Series 2008-A	6-9-08	58,630,000	4.00 to 5.00	4/1/14-28	59,487,564	Assured Guaranty	b
Series 2008-B(1)	6-9-08	66,475,000	5.00	4/1/13-18	28,982,532	Assured Guaranty	

**Total Unsecured Unlimited Tax General Obligation Bonds** **\$374,661,332**

a - Interest rates are set periodically at the stated current market interest rate.

b - Indicates certain of bonds within series are callable under terms specified in the indenture; all other bonds are noncallable

**Secured Unlimited Tax General Obligation Bonds**

	<b>Issue Date</b>	<b>Amount Issued</b>	<b>Range of Interest Rates</b>	<b>Maturity Date</b>	<b>Balance as of Petition Date</b>	<b>Insurer</b>
Distributable State Aid 2010-A	12/16/10	\$100,000,000	5.129 to 8.369	11/1/14-35	101,707,848	N/A

**Total Secured Unlimited Tax General Obligation Bonds** **\$101,707,848**

**Total Unlimited Tax General Obligation Bonds** **\$476,369,180**

**EXHIBIT E**

**LIMITED TAX GENERAL OBLIGATION BONDS**

**LIMITED TAX GENERAL OBLIGATION BONDS**

## Unsecured Limited Tax General Obligation Bonds

	Issue Date	Amount Issued	Range of Interest Rates	Maturity Date	Balance as of Petition Date	Insurer	
Self-Insurance Bonds:							
Series 2004	9-9-04	62,285,000	4.16 to 4.85	4/1/13-14	\$13,186,559	Ambac	
General Obligation:							
Series 2005-A(1)	6-24-05	73,500,000	4.27 to 5.15	4/1/13-25	60,776,168	Ambac	b
Series 2005-A(2)	6-24-05	13,530,000	3.50 to 5.00	4/1/12-25	11,080,060	Ambac	b
Series 2005-B	6-24-05	11,785,000	3.50 to 5.00	4/1/13-21	9,003,535	Ambac	b
Series 2008-A(1)	6-9-08	49,715,000	5.00	4/1/13-16	43,905,085	N/A	
Series 2008-A(2)	6-9-08	25,000,000	8.00	4/1/14	25,591,781	N/A	

### Total Unsecured Limited Tax General Obligation Bonds

**\$163,543,188**

a - Interest rates are set periodically at the stated current market interest rate.

b - Indicates certain of bonds within series are callable under terms specified in the indenture; all other bonds are noncallable.

## Secured Limited Tax General Obligation Bonds

	<b>Issue Date</b>	<b>Amount Issued</b>	<b>Range of Interest Rates</b>	<b>Maturity Date</b>	<b>Balance as of Petition Date</b>	<b>Insurer</b>
Distributable State Aid 2010	3/18/10	249,790,000	4.25 to 5.25	11/1/14-35	252,475,366	N/A
Distributable State Aid 2012	8/23/12	129,520,000	3.00 to 5.00	11/1/14-32	130,827,617	N/A

## Total Secured Limited Tax General Obligation Bonds

**\$383,302,983**

### Total Limited Tax General Obligation Bonds

**\$546,846,171**

**EXHIBIT F**

**PREPETITION STEADY STATE PROJECTION OF LEGACY EXPENDITURES**

# STEADY STATE PROJECTION OF LEGACY EXPENDITURES

(\$ in millions)

	FISCAL YEAR ENDED ACTUAL					PRELIMINARY FORECAST				
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Legacy expenditures</b>										
Debt Service (LTGO)	\$(66.6)	\$(106.2)	\$(63.5)	\$(64.5)	\$(62.6)	\$(70.8)	\$(70.9)	\$(61.8)	\$(61.8)	\$(38.5)
Debt Service (UTGO)	(67.2)	(71.5)	(72.4)	(72.8)	(73.0)	(70.6)	(64.9)	(62.5)	(57.6)	(57.6)
POC – Principal and Interest (GF)	(24.6)	(20.9)	(23.6)	(33.5)	(33.0)	(46.8)	(51.4)	(53.3)	(55.0)	(56.9)
POC – Principal and Interest (EF, excl. DDOT)	(1.8)	(1.4)	(1.5)	(1.8)	(2.0)	(5.3)	(5.9)	(6.1)	(6.4)	(6.6)
POC – Principal and Interest (DDOT)	(3.5)	(2.8)	(3.0)	(3.6)	(4.0)	(3.3)	(3.7)	(3.8)	(3.9)	(4.1)
POC – Swaps (GF)	(38.6)	(43.9)	(44.7)	(44.7)	(44.8)	(42.9)	(42.8)	(42.8)	(42.7)	(42.7)
POC – Swaps (EF, excl. DDOT)	(2.3)	(2.0)	(2.0)	(2.0)	(2.0)	(4.8)	(4.8)	(4.8)	(4.9)	(4.9)
POC – Swaps (DDOT)	(4.5)	(4.0)	(4.0)	(4.0)	(4.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)
Pension Contributions – Public Safety	(58.9)	(31.4)	(32.8)	(81.6)	(49.8)	(46.1)	(139.0)	(163.0)	(180.0)	(198.0)
Pension Contributions – Non-Public Safety	(10.6)	(27.0)	(11.1)	(28.3)	(25.4)	(19.9)	(36.9)	(42.5)	(47.7)	(53.1)
Pension Contributions – DDOT	(6.8)	(7.3)	(6.9)	(9.5)	(10.9)	(12.3)	(23.6)	(27.7)	(31.2)	(34.8)
Health Benefits – Retiree, Public Safety	(73.7)	(80.2)	(70.4)	(79.6)	(90.6)	(91.5)	(88.6)	(95.2)	(101.7)	(108.0)
Health Benefits – Retiree, Non-Public Safety	(47.4)	(51.6)	(50.6)	(49.0)	(49.2)	(49.7)	(38.8)	(41.5)	(44.6)	(47.7)
Health Benefits – Retiree , DDOT	(8.2)	(11.8)	(11.2)	(11.1)	(10.3)	(10.4)	(13.3)	(14.3)	(15.3)	(16.3)
<b>Total Legacy Expenditures</b>	<b>\$(414.6)</b>	<b>\$(462.0)</b>	<b>\$(397.9)</b>	<b>\$(486.1)</b>	<b>\$(461.6)</b>	<b>\$(477.3)</b>	<b>\$(587.6)</b>	<b>\$(622.4)</b>	<b>\$(655.9)</b>	<b>\$(672.3)</b>
<b>Total Revenues (excl. Financing Proceeds)</b>	<b>\$1,397.7</b>	<b>\$1,363.3</b>	<b>\$1,291.0</b>	<b>\$1,316.8</b>	<b>\$1,196.9</b>	<b>\$1,121.9</b>	<b>\$1,082.8</b>	<b>\$1,046.2</b>	<b>\$1,041.5</b>	<b>\$1,041.4</b>
<b>Total Legacy Expenditures as a % of Total Revenues</b>	<b>29.7%</b>	<b>33.9%</b>	<b>30.8%</b>	<b>36.9%</b>	<b>38.6%</b>	<b>42.5%</b>	<b>54.3%</b>	<b>59.5%</b>	<b>63.0%</b>	<b>64.6%</b>



**EXHIBIT G**

**PREPETITION FISCAL YEAR 2014 FORECASTED CASH FLOW**

## FISCAL YEAR 2014 FORECASTED CASH FLOW

\$ in millions	Forecast Jul 13	Forecast Aug-13	Forecast Sep-13	Forecast Oct-13	Forecast Nov-13	Forecast Dec-13	Forecast Jan-14	Forecast Feb-14	Forecast Mar-14	Forecast Apr-14	Forecast May-14	Forecast Jun-14	Forecast Fiscal Year 2014
Operating Receipts													
Property Taxes	\$37.8	\$166.6	\$13.0	\$6.6	\$3.1	\$21.5	\$139.1	\$20.8	\$4.8	\$1.3	\$2.5	\$51.1	\$468.4
Income & Utility Taxes	28.7	22.7	22.3	28.3	22.7	22.3	28.3	23.5	22.7	28.3	22.3	22.7	294.7
Gaming Taxes	14.6	14.1	8.9	23.1	10.4	9.4	22.1	9.9	15.1	17.4	13.2	11.8	170.0
Municipal Service Fee to Casinos	-	7.6	-	-	4.0	4.0	1.8	-	-	-	-	-	17.4
State Revenue Sharing	30.7	-	30.7	-	30.7	-	30.7	-	30.7	-	30.7	-	184.3
Other Receipts	27.2	25.8	25.9	32.9	26.3	25.9	32.9	27.1	26.3	32.9	25.9	26.3	335.9
Refinancing Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Receipts	139.1	236.9	100.9	91.0	97.2	83.2	255.0	81.3	99.6	80.0	94.6	111.9	1,470.7
Operating Disbursements													
Payroll, Taxes & Deductions	(31.0)	(26.6)	(26.6)	(35.5)	(26.6)	(26.6)	(31.0)	(26.6)	(26.6)	(35.5)	(26.6)	(26.6)	(345.6)
Benefits	(15.5)	(15.5)	(15.5)	(15.5)	(15.5)	(15.5)	(15.5)	(14.0)	(14.0)	(14.0)	(14.0)	(14.0)	(178.6)
Pension Contributions	(14.7)	(14.7)	(14.7)	(14.7)	(14.7)	(14.7)	(14.7)	(14.7)	(14.7)	(14.7)	(14.7)	(14.7)	(175.9)
Subsidy Payments	(7.6)	(5.0)	(6.3)	(6.3)	(6.3)	(6.3)	(6.3)	(6.3)	(6.3)	(6.3)	(6.3)	(6.3)	(75.6)
Distributions – Tax Authorities	(14.8)	(72.4)	(40.0)	(5.7)	(1.0)	(1.3)	(57.3)	(20.9)	(14.0)	(1.7)	-	(24.0)	(253.1)
Distributions – UTGO	-	(12.0)	-	-	-	-	-	-	(44.9)	-	-	-	(56.9)
Distributions – DDA Increment	-	-	-	-	-	(8.0)	-	-	-	-	-	(1.0)	(9.0)
Income Tax Refunds	(2.5)	(2.7)	(0.6)	(0.3)	(1.5)	(1.0)	(0.6)	(0.3)	(0.4)	(2.3)	(1.2)	(3.7)	(17.0)
A/P and Other Disbursements	(36.3)	(37.9)	(29.3)	(37.1)	(30.1)	(25.6)	(40.8)	(23.0)	(33.5)	(39.7)	(30.0)	(30.0)	(393.2)
Sub-Total Operating Disbursements	(122.3)	(186.7)	(132.8)	(115.1)	(95.6)	(98.9)	(166.0)	(105.8)	(154.4)	(114.3)	(92.8)	(120.3)	(1,504.9)
POC and Debt-Related Payments	(7.4)	(4.2)	(5.8)	(8.5)	(7.3)	(15.4)	(7.3)	(4.2)	(5.7)	(51.9)	(7.3)	(39.1)	(164.2)
Total Disbursements	(129.6)	(191.0)	(138.6)	(123.5)	(102.9)	(114.3)	(173.4)	(110.0)	(160.2)	(166.1)	(100.1)	(159.3)	(1,669.1)
Net Cash Flow	9.5	45.9	(37.7)	(32.6)	(5.7)	(31.1)	(81.6)	(28.7)	(60.6)	(86.1)	(5.5)	(47.4)	(198.5)
Cumulative Net Cash Flow	9.5	55.4	17.7	(14.9)	(20.6)	(51.7)	29.9	1.1	(59.4)	(145.6)	(151.0)	(198.5)	
Beginning Cash Balance	33.8	43.3	89.2	51.5	18.9	13.2	(17.9)	63.7	34.9	25.6	(111.8)	(117.2)	33.8
Net Cash Flow	9.5	45.9	(37.7)	(32.6)	(5.7)	(31.1)	81.6	(28.7)	(60.6)	(86.1)	(5.5)	(47.4)	(198.5)
Cash Before Required Distributions	\$43.3	\$89.2	\$51.5	\$18.9	\$13.2	\$(17.9)	\$63.7	\$34.9	\$(25.6)	\$(111.8)	\$(117.2)	\$(164.7)	\$(164.7)
Accumulated Property Tax Distributions	(29.8)	(55.4)	(24.0)	(22.7)	(23.7)	(38.6)	(86.5)	(82.2)	(27.1 )	(26.5)	(28.5)	(19.7)	(19.7)
Cash Net of Distributions	\$13.5	\$33.8	\$27.4	\$(3.8)	\$(10.5)	\$(56.5)	\$(22.8)	\$(47.2)	\$(52.7)	\$(138.2)	\$(145.7)	\$(184.4)	\$(184.4)
Memo:													
Accumulated Deferrals	(119.3)	(112.4)	(112.8)	(113.5)	(113.9)	(114.4)	(115.0)	(115.5)	(116.0)	(116.6)	(117.1)	(117.6)	(117.6)
Refunding Bond Proceeds in Escrow	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7	51.7
Reimbursements Owed to Other funds	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd	tbd

**EXHIBIT H**

**PREPETITION PROJECTED REVENUES, EXPENDITURES, OPERATING  
SURPLUSES, LEGACY OBLIGATIONS & DEFICITS THROUGH FISCAL YEAR 2017**

**PROJECTED REVENUES, EXPENDITURES, OPERATING  
SURPLUSES, LEGACY OBLIGATIONS & DEFICITS THROUGH FISCAL YEAR 2017**

(\$ in millions)

(\$ in millions)	FISCAL YEAR ENDED ACTUAL					PRELIMINARY FORECAST					5-YEAR TOTAL
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Revenues											
Municipal Income Tax	\$276.5	\$240.8	\$216.5	\$228.3	\$233.0	\$238.7	\$243.4	\$247.3	\$249.0	\$250.7	\$1,229.1
State Revenue Sharing	249.6	266.6	263.6	239.3	173.3	182.8	184.3	186.1	187.9	189.5	930.4
Wagering Taxes	180.4	173.0	183.3	176.9	181.4	173.0	170.0	168.3	170.0	171.7	853.0
Sales & Charges for Services	191.3	166.7	154.1	155.0	145.4	120.4	124.8	119.4	118.2	117.0	599.7
Property Taxes	155.2	163.7	143.0	182.7	147.8	134.9	118.4	110.2	105.7	100.8	570.0
Utility Users & Other Taxes	73.0	71.5	64.8	64.8	57.1	54.8	47.2	40.9	40.9	41.3	225.0
Other Revenue	156.9	142.7	134.2	152.4	125.5	93.4	75.6	55.8	55.8	55.9	336.4
General Fund Reimbursements	34.7	55.7	47.6	32.3	47.6	31.2	30.3	30.3	30.3	30.3	152.2
Transfers in (UTGO Millage & Non-General Fund POCs)	80.1	82.5	83.8	85.1	85.8	92.8	89.0	87.9	83.8	84.4	438.0
Total Revenues	1,397.7	1,363.3	1,291.0	1,316.8	1,196.9	1,121.9	1,082.8	1,046.2	1,041.5	1,041.4	5,333.8
Expenditures											
Salaries/Overtime/Fringe	(509.9)	(506.6)	(466.4)	(454.8)	(431.5)	(357.3)	(341.5)	(341.9)	(346.4)	(352.5)	(1,739.7)
Health Benefits – Active	(49.9)	(54.4)	(70.8)	(64.6)	(54.3)	(43.1)	(51.2)	(54.0)	(57.4)	(61.0)	(266.7)
Other Operating Expenses	(551.2)	(464.3)	(427.5)	(368.2)	(371.3)	(291.6)	(292.9)	(288.2)	(295.9)	(301.5)	(1,470.2)
Operating Expenditures	(1,111.1)	(1,025.3)	(964.7)	(887.5)	(857.1)	(692.0)	(685.7)	(684.1)	(699.7)	(715.0)	(3,476.6)
Net Operating Surplus	286.7	338.0	326.3	429.2	339.8	429.9	397.2	362.0	341.8	326.3	1,857.2
Debt Service (LTGO & UTGO)	(133.8)	(177.6)	(135.9)	(137.3)	(135.6)	(141.4)	(135.9)	(124.4)	(119.4)	(96.1)	(617.2)
POC – Principal & Interest	(29.8)	(25.1)	(28.1)	(38.9)	(39.0)	(55.4)	(61.0)	(63.2)	(65.4)	(67.6)	(312.6)
POC Swaps	(45.3)	(49.9)	(50.7)	(50.7)	(50.7)	(50.6)	(50.6)	(50.6)	(50.6)	(50.6)	(253.1)
Pension Contributions	(76.3)	(65.7)	(50.8)	(119.5)	(86.1)	(78.3)	(199.5)	(233.1)	(258.9)	(285.9)	(1,055.8)
Health Benefits – Retiree	(129.3)	(143.7)	(132.3)	(139.7)	(150.1)	(151.6)	(140.7)	(151.1)	(161.6)	(172.0)	(776.9)
Legacy Expenditures	(414.6)	(462.0)	(397.9)	(486.1)	(461.6)	(477.3)	(587.6)	(622.4)	(655.9)	(672.3)	(3,015.6)
Deficit (excl. Financing Proceeds)	(127.9)	(124.1)	(71.7)	(56.9)	(121.8)	(47.4)	(190.5 )	(260.4)	(314.1)	(346.0)	(1,158.4)
Financing Proceeds	75.0	-	250.0	-	-	137.0	-	-	-	-	137.0
Total Surplus (deficit)	\$(52.9)	\$(124.1)	\$178.3	\$(56.9)	\$(121.8)	\$89.6	\$(190.5)	\$(260.4)	\$(314.1)	\$(346.0)	\$(1,021.4)
Accumulated Unrestricted General Fund Deficit	\$(219.2)	\$(331.9)	\$(155.7)	\$(196.6)	\$(326.6)	\$(237.0)	\$(427.5)	\$(687.9)	\$(1,002.0)	\$(1,348.0)	

**\*Note:** The above projections were prepared based solely on the City's levels of operating expenses and capital expenditures as of the Petition Date and do not account for (i) increases in expenditures necessary to restore City services to adequate levels, (ii) additional investment by the City in services, assets or infrastructure or (iii) any changes to legacy liabilities.

**EXHIBIT I**

**TEN-YEAR SUMMARY OF RESTRUCTURING INITIATIVES**

# City of Detroit

## Ten-Year Plan of Adjustment

## Restructuring and Reinvestment Initiatives

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# City of Detroit

## Ten-Year Plan of Adjustment

## Restructuring and Reinvestment Initiatives - Consolidated



**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives**  
**Consolidated - General Fund**  
*(\$ in millions)*

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**City of Detroit**  
Ten-Year Plan of Adjustment  
Restructuring and Reinvestment Initiatives - Consolidated by Department

## (\$ in millions)

	For the Fiscal Year Ended												10-Year
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		Total	
EXECUTIVE AGENCIES													
Administrative Hearings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	
Finance/Budget	2.7	7.9	8.4	8.7	6.2	6.2	6.3	6.3	6.3	6.3	6.3	65.4	
Fire	2.0	8.1	6.6	18.3	19.0	6.7	6.6	6.6	6.6	6.6	6.6	87.0	
General Services	1.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	20.3	
Human Resources	-	-	-	-	-	-	-	-	-	-	-	-	
Labor Relations	-	-	-	-	-	-	-	-	-	-	-	-	
Human Rights / Board of Ethics	-	-	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.4	0.4	2.5	
Human Services	-	-	-	-	-	-	-	-	-	-	-	-	
Law	-	-	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	4.4	
Mayor's Office	-	-	-	-	-	-	-	-	-	-	-	-	
Planning & Development	-	-	-	-	-	-	-	-	-	-	-	-	
Police	-	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	32.6	
Public Lighting	-	-	-	-	-	-	-	-	-	-	-	-	
Public Works (Solid Waste)	-	-	-	-	-	-	-	-	-	-	-	-	
Recreation	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.5	
Vital Records (Health & Wellness)	-	-	-	-	-	-	-	-	-	-	-	-	
LEGISLATIVE AGENCIES													
Auditor General / Inspector General	-	-	-	-	-	-	-	-	-	-	-	-	
Board of Zoning Appeals	-	-	-	-	-	-	-	-	-	-	-	-	
City Clerk	-	-	-	-	-	-	-	-	-	-	-	-	
City Council	-	-	-	-	-	-	-	-	-	-	-	-	
Election Commission	-	-	-	-	-	-	-	-	-	-	-	-	
Ombudsperson	-	-	-	-	-	-	-	-	-	-	-	-	
OTHER AGENCIES													
Non-Departmental (36D Initiatives)	-	5.8	8.2	8.5	8.7	9.0	9.2	9.5	9.8	10.1		78.8	
ENTERPRISE AGENCIES													
Airport	-	-	-	-	-	-	-	-	-	-	-	-	
Buildings and Safety	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	1.7	
DDOT - Transportation	(1.7)	(5.7)	(1.5)	(0.1)	4.6	6.3	10.4	10.0	14.1	15.0		51.4	
Municipal Parking	-	5.6	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	60.3	
OTHER													
Blight	3.0	44.3	13.0	4.0	4.0	4.0	-	-	-	-	-	72.3	
TOTAL	\$ 7.2	\$ 72.0	\$ 48.3	\$ 53.0	\$ 56.2	\$ 45.8	\$ 46.2	\$ 46.1	\$ 50.6	\$ 51.8	\$	477.2	

# City of Detroit

## Ten-Year Plan of Adjustment

### Restructuring and Reinvestment Initiatives - Consolidated by Department

#### Operating Expenditures

(\$ in millions)

	For the Fiscal Year Ended										10-Year
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
EXECUTIVE AGENCIES											
Administrative Hearings	\$ -	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.1)
Finance/Budget	(1.1)	(5.8)	(3.8)	(3.8)	(1.3)	(1.8)	(2.2)	(2.7)	(3.1)	(3.6)	(29.1)
Fire	(3.0)	(11.9)	(6.3)	(7.9)	(0.9)	2.2	0.5	2.8	2.0	3.3	(19.1)
General Services	(2.1)	(8.5)	(13.5)	(13.6)	(13.8)	(14.0)	(14.1)	(14.2)	(14.4)	(14.5)	(122.7)
Human Resources	(0.0)	(2.0)	(3.1)	(3.1)	(3.2)	(3.2)	(3.3)	(3.3)	(3.4)	(3.4)	(28.2)
Labor Relations	(0.0)	(0.3)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(6.8)
Human Rights / Board of Ethics	-	(0.4)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.7)	(5.4)
Human Services	-	-	-	-	-	-	-	-	-	-	-
Law	-	1.6	0.4	0.4	0.4	0.3	0.3	0.2	0.2	0.1	4.0
Mayor's Office	(1.3)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(2.1)
Planning & Development	(0.4)	(1.2)	(1.0)	(0.9)	(1.0)	(1.0)	(1.0)	(1.0)	(1.1)	(1.1)	(9.6)
Police	(2.2)	(14.4)	(17.9)	(10.9)	(9.4)	(8.8)	(8.9)	(8.9)	(8.7)	(9.1)	(99.3)
Public Lighting	-	-	-	-	-	-	-	-	-	-	-
Public Works (Solid Waste)	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.3)
Recreation	-	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.8)
Vital Records (Health & Wellness)	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(1.8)
LEGISLATIVE AGENCIES											
Auditor General / Inspector General	-	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)	(0.5)	(3.9)
Board of Zoning Appeals	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)
City Clerk	(0.3)	(0.4)	(0.1)	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.7
City Council	0.0	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	3.9
Election Commission	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4
Ombudsperson	-	(0.6)	(1.0)	(1.0)	(1.0)	(1.0)	(1.1)	(1.1)	(1.1)	(1.1)	(9.0)
OTHER AGENCIES											
Non-Departmental (36D Initiatives)	-	0.0	0.6	0.6	0.7	0.7	0.7	0.8	0.8	0.8	5.7
ENTERPRISE AGENCIES											
Airport	-	(0.9)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.8)	(6.6)
Buildings and Safety	0.4	(4.3)	(0.4)	2.3	2.7	3.6	3.6	3.2	3.7	3.7	18.4
DDOT - Transportation	(0.9)	(3.5)	0.7	(2.4)	(3.8)	(4.4)	(4.4)	(5.1)	(5.6)	(6.6)	(36.1)
Municipal Parking	(0.1)	(0.4)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(1.0)
OTHER											
Blight	(3.2)	(113.6)	(83.5)	(80.0)	(80.0)	(80.0)	-	-	-	-	(440.3)
TOTAL	\$ (14.6)	\$ (166.9)	\$ (131.3)	\$ (122.6)	\$ (112.9)	\$ (109.7)	\$ (32.2)	\$ (31.7)	\$ (33.1)	\$ (34.0)	\$ (788.9)

**City of Detroit**

**Ten-Year Plan of Adjustment**

**Restructuring and Reinvestment Initiatives - Consolidated by Department**

**Technology Infrastructure**

(\$ in millions)

	For the Fiscal Year Ended										10-Year Total
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
<b>EXECUTIVE AGENCIES</b>											
Administrative Hearings	\$ -	\$ (0.5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(0.5)
Finance/Budget	(1.7)	(34.6)	(17.3)	(8.8)	(6.7)	(6.6)	(4.2)	(5.3)	(5.5)	(4.2)	(94.8)
Fire	-	(1.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.8)	(0.4)	(0.2)	(0.2)	(3.5)
General Services	-	-	-	-	-	-	-	-	-	-	-
Human Resources	-	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(1.3)
Labor Relations	-	-	-	-	-	-	-	-	-	-	-
Human Rights / Board of Ethics	-	(0.1)	-	-	-	-	-	-	-	-	(0.1)
Human Services	-	-	-	-	-	-	-	-	-	-	-
Law	(0.5)	-	-	-	-	-	-	-	-	-	(0.5)
Mayor's Office	-	-	-	-	-	-	-	-	-	-	-
Planning & Development	-	(0.6)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.8)
Police	(0.9)	(12.2)	(10.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(38.4)
Public Lighting	-	-	-	-	-	-	-	-	-	-	-
Public Works (Solid Waste)	-	-	-	-	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-	-	-	-	-
Vital Records (Health & Wellness)	-	-	-	-	-	-	-	-	-	-	-
<b>LEGISLATIVE AGENCIES</b>											
Auditor General / Inspector General	-	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	(0.4)
Board of Zoning Appeals	-	-	-	-	-	-	-	-	-	-	-
City Clerk	-	-	-	-	-	-	-	-	-	-	-
City Council	-	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)
Election Commission	(0.0)	-	-	-	-	-	-	-	-	-	(0.0)
Ombudsperson	-	(3.0)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(7.6)
<b>OTHER AGENCIES</b>											
Non-Departmental (36D Initiatives)	-	(1.6)	(0.8)	(0.4)	(0.4)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(4.2)
<b>ENTERPRISE AGENCIES</b>											
Airport	-	(0.0)	-	-	-	-	-	-	-	-	(0.0)
Buildings and Safety	-	-	-	-	-	-	-	-	-	-	-
DDOT - Transportation	-	-	-	-	-	-	-	-	-	-	-
Municipal Parking	-	-	-	-	-	-	-	-	-	-	-
<b>OTHER</b>											
Blight	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ (3.1)</b>	<b>\$ (54.4)</b>	<b>\$ (29.2)</b>	<b>\$ (12.2)</b>	<b>\$ (10.1)</b>	<b>\$ (9.9)</b>	<b>\$ (8.2)</b>	<b>\$ (8.8)</b>	<b>\$ (8.8)</b>	<b>\$ (7.5)</b>	<b>\$ (152.3)</b>

**City of Detroit**

**Ten-Year Plan of Adjustment**

**Restructuring and Reinvestment Initiatives - Consolidated by Department**

**Capital Expenditures**

*(\$ in millions)*

	For the Fiscal Year Ended										10-Year Total
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
<b>EXECUTIVE AGENCIES</b>											
Administrative Hearings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Finance/Budget	-	-	-	-	-	-	-	-	-	-	-
Fire	(3.1)	(11.9)	(8.9)	(10.5)	(5.8)	(12.7)	(4.8)	(5.6)	(5.5)	(5.5)	(74.3)
General Services	(1.7)	(8.5)	(5.7)	(4.2)	(4.5)	(4.3)	(4.3)	(4.5)	(4.4)	(4.4)	(46.4)
Human Resources	-	-	(1.0)	-	-	-	-	-	-	-	(1.0)
Labor Relations	-	-	-	-	-	-	-	-	-	-	-
Human Rights / Board of Ethics	-	-	-	-	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-	-	-	-	-
Law	-	-	-	-	-	-	-	-	-	-	-
Mayor's Office	-	-	-	-	-	-	-	-	-	-	-
Planning & Development	-	-	-	-	-	-	-	-	-	-	-
Police	(1.4)	(13.0)	(6.5)	(0.1)	(0.5)	(0.2)	(3.3)	(3.1)	(3.0)	(3.0)	(34.2)
Public Lighting	-	-	-	-	-	-	-	-	-	-	-
Public Works (Solid Waste)	-	-	-	-	-	-	-	-	-	-	-
Recreation	(0.9)	(8.9)	(3.1)	(3.3)	(3.0)	(4.0)	(4.3)	(4.0)	(4.0)	(4.0)	(39.5)
Vital Records (Health & Wellness)	-	(5.1)	-	-	-	-	-	-	-	-	(5.1)
<b>LEGISLATIVE AGENCIES</b>											
Auditor General / Inspector General	-	-	-	-	-	-	-	-	-	-	-
Board of Zoning Appeals	-	-	-	-	-	-	-	-	-	-	-
City Clerk	-	-	-	-	-	-	-	-	-	-	-
City Council	-	-	-	-	-	-	-	-	-	-	-
Election Commission	-	-	(0.4)	(0.6)	(0.3)	-	(0.5)	(0.5)	(0.5)	(0.5)	(3.3)
Ombudsperson	-	-	-	-	-	-	-	-	-	-	-
<b>OTHER AGENCIES</b>											
Non-Departmental (36D Initiatives)	-	(1.0)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(5.0)
<b>ENTERPRISE AGENCIES</b>											
Airport	-	(0.4)	(5.0)	(7.8)	(7.5)	-	-	-	-	-	(20.7)
Buildings and Safety	-	(0.4)	-	-	-	-	-	-	-	-	(0.4)
DDOT - Transportation	-	(1.6)	(2.0)	(2.3)	(2.5)	(1.0)	(1.0)	-	-	-	(10.3)
Municipal Parking	-	(0.7)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(2.0)
<b>OTHER</b>											
Blight	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	\$ (7.1)	\$ (51.5)	\$ (33.2)	\$ (29.5)	\$ (24.6)	\$ (22.8)	\$ (18.8)	\$ (18.4)	\$ (18.1)	\$ (18.1)	\$ (242.0)

**City of Detroit**

**Ten-Year Plan of Adjustment**

**Restructuring and Reinvestment Initiatives - Consolidated by Department**

**Other Infrastructure**

(\$ in millions)

	For the Fiscal Year Ended										10-Year Total
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
<b>EXECUTIVE AGENCIES</b>											
Administrative Hearings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Finance/Budget	-	-	-	-	-	-	-	-	-	-	-
Fire	(6.2)	(11.7)	(9.0)	(5.9)	(5.7)	(4.9)	(5.1)	(4.5)	(3.0)	(2.7)	(58.6)
General Services	(2.1)	(4.2)	(3.1)	(3.1)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(16.1)
Human Resources	-	-	-	-	-	-	-	-	-	-	-
Labor Relations	-	-	-	-	-	-	-	-	-	-	-
Human Rights / Board of Ethics	-	-	-	-	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-	-	-	-	-
Law	-	-	-	-	-	-	-	-	-	-	-
Mayor's Office	-	-	-	-	-	-	-	-	-	-	-
Planning & Development	-	-	-	-	-	-	-	-	-	-	-
Police	(9.5)	(11.7)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(101.3)
Public Lighting	-	-	-	-	-	-	-	-	-	-	-
Public Works (Solid Waste)	-	-	-	-	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-	-	-	-	-
Vital Records (Health & Wellness)	-	-	-	-	-	-	-	-	-	-	-
<b>LEGISLATIVE AGENCIES</b>											
Auditor General / Inspector General	-	-	-	-	-	-	-	-	-	-	-
Board of Zoning Appeals	-	-	-	-	-	-	-	-	-	-	-
City Clerk	-	-	-	-	-	-	-	-	-	-	-
City Council	-	-	-	-	-	-	-	-	-	-	-
Election Commission	-	-	-	-	-	-	-	-	-	-	-
Ombudsperson	-	-	-	-	-	-	-	-	-	-	-
<b>OTHER AGENCIES</b>											
Non-Departmental (36D Initiatives)	-	-	-	-	-	-	-	-	-	-	-
<b>ENTERPRISE AGENCIES</b>											
Airport	-	-	-	-	-	-	-	-	-	-	-
Buildings and Safety	-	-	-	-	-	-	-	-	-	-	-
DDOT - Transportation	-	-	-	-	-	-	-	-	-	-	-
Municipal Parking	-	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(1.4)
<b>OTHER</b>											
Blight	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	\$ (17.8)	\$ (28.0)	\$ (22.3)	\$ (19.1)	\$ (16.4)	\$ (15.7)	\$ (15.8)	\$ (15.2)	\$ (13.7)	\$ (13.4)	\$ (177.4)

**City of Detroit**

**Ten-Year Plan of Adjustment**

**Restructuring and Reinvestment Initiatives - Consolidated by Department**

**Reorganization Costs**

(\$ in millions)

	For the Fiscal Year Ended										10-Year Total
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
<b>EXECUTIVE AGENCIES</b>											
Administrative Hearings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Finance/Budget	(2.4)	(7.9)	(3.7)	(0.5)	(0.9)	(0.6)	(1.4)	(0.6)	(0.9)	(0.6)	(19.6)
Fire	(0.3)	-	-	-	-	-	-	-	-	-	(0.3)
General Services	-	(0.4)	-	-	-	-	-	-	-	-	(0.4)
Human Resources	-	(1.4)	(1.0)	-	-	-	-	-	-	-	(2.4)
Labor Relations	-	-	-	-	-	-	-	-	-	-	-
Human Rights / Board of Ethics	-	-	-	-	-	-	-	-	-	-	-
Human Services	-	-	-	-	-	-	-	-	-	-	-
Law	-	(0.1)	-	-	-	-	-	-	-	-	(0.1)
Mayor's Office	-	-	-	-	-	-	-	-	-	-	-
Planning & Development	(0.6)	(6.8)	(0.8)	-	-	-	(1.0)	(1.0)	-	-	(10.2)
Police	-	(0.6)	(0.4)	-	-	-	-	-	-	-	(1.0)
Public Lighting	-	-	-	-	-	-	-	-	-	-	-
Public Works (Solid Waste)	-	-	-	-	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-	-	-	-	-
Vital Records (Health & Wellness)	-	-	-	-	-	-	-	-	-	-	-
<b>LEGISLATIVE AGENCIES</b>											
Auditor General / Inspector General	-	-	-	-	-	-	-	-	-	-	-
Board of Zoning Appeals	-	-	-	-	-	-	-	-	-	-	-
City Clerk	-	-	-	-	-	-	-	-	-	-	-
City Council	-	-	-	-	-	-	-	-	-	-	-
Election Commission	-	-	-	-	-	-	-	-	-	-	-
Ombudsperson	-	-	-	-	-	-	-	-	-	-	-
<b>OTHER AGENCIES</b>											
Non-Departmental (36D Initiatives)	-	(1.0)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(3.7)
<b>ENTERPRISE AGENCIES</b>											
Airport	-	-	-	-	-	-	-	-	-	-	-
Buildings and Safety	-	-	-	-	-	-	-	-	-	-	-
DDOT - Transportation	-	-	-	-	-	-	-	-	-	-	-
Municipal Parking	-	-	-	-	-	-	-	-	-	-	-
<b>OTHER</b>											
Blight	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	\$ (3.2)	\$ (18.2)	\$ (6.3)	\$ (0.9)	\$ (1.2)	\$ (1.0)	\$ (2.7)	\$ (2.0)	\$ (1.2)	\$ (1.0)	\$ (37.7)



# City of Detroit

## Ten-Year Plan of Adjustment

### Restructuring and Reinvestment Initiatives - Consolidated by Department

#### Surplus / (Deficit)

(\$ in millions)

	For the Fiscal Year Ended										10-Year
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
EXECUTIVE AGENCIES											
Administrative Hearings	\$ -	\$ (0.5)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.6)
Finance/Budget	(2.5)	(40.3)	(16.4)	(4.4)	(2.6)	(2.8)	(1.5)	(2.3)	(3.2)	(2.1)	(78.2)
Fire	(10.6)	(28.6)	(17.8)	(6.2)	6.5	(8.9)	(3.6)	(1.1)	(0.0)	1.5	(68.7)
General Services	(4.8)	(19.4)	(20.2)	(18.8)	(16.7)	(16.7)	(16.8)	(17.2)	(17.2)	(17.4)	(165.3)
Human Resources	(0.0)	(3.9)	(5.2)	(3.2)	(3.3)	(3.3)	(3.4)	(3.4)	(3.5)	(3.5)	(32.9)
Labor Relations	(0.0)	(0.3)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(6.8)
Human Rights / Board of Ethics	-	(0.5)	(0.4)	(0.4)	(0.3)	(0.3)	(0.3)	(0.3)	(0.2)	(0.3)	(3.0)
Human Services	-	-	-	-	-	-	-	-	-	-	-
Law	(0.5)	1.5	1.0	1.0	0.9	0.9	0.8	0.8	0.7	0.7	7.8
Mayor's Office	(1.3)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(2.1)
Planning & Development	(1.0)	(8.5)	(1.8)	(1.0)	(1.0)	(1.0)	(2.1)	(2.1)	(1.1)	(1.1)	(20.6)
Police	(14.0)	(48.3)	(41.5)	(19.6)	(18.5)	(17.5)	(20.7)	(20.5)	(20.3)	(20.6)	(241.6)
Public Lighting	-	-	-	-	-	-	-	-	-	-	-
Public Works (Solid Waste)	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.3)
Recreation	(0.9)	(8.9)	(3.1)	(3.3)	(3.1)	(4.0)	(4.3)	(4.0)	(4.0)	(4.0)	(39.8)
Vital Records (Health & Wellness)	(0.3)	(5.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(6.9)
LEGISLATIVE AGENCIES											
Auditor General / Inspector General	-	(0.4)	(0.4)	(0.4)	(0.4)	(0.5)	(0.6)	(0.5)	(0.5)	(0.5)	(4.2)
Board of Zoning Appeals	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)
City Clerk	(0.3)	(0.4)	(0.1)	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.7
City Council	0.0	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	3.8
Election Commission	0.0	0.1	(0.3)	(0.6)	(0.2)	0.0	(0.5)	(0.5)	(0.5)	(0.5)	(2.9)
Ombudsperson	-	(3.6)	(1.5)	(1.5)	(1.6)	(1.6)	(1.6)	(1.7)	(1.7)	(1.7)	(16.6)
OTHER AGENCIES											
Non-Departmental (36D Initiatives)	-	2.2	7.2	7.9	8.2	8.6	8.9	9.2	9.5	9.9	71.7
ENTERPRISE AGENCIES											
Airport	-	(1.3)	(5.7)	(8.5)	(8.2)	(0.7)	(0.7)	(0.7)	(0.7)	(0.8)	(27.3)
Buildings and Safety	0.5	(4.5)	(0.3)	2.5	2.9	3.7	3.8	3.3	3.8	3.8	19.7
DDOT - Transportation	(2.6)	(10.8)	(2.8)	(4.8)	(1.7)	0.9	5.1	4.9	8.5	8.5	5.1
Municipal Parking	(0.1)	4.1	6.6	6.6	6.6	6.5	6.5	6.5	6.5	6.4	55.9
OTHER											
Blight	(0.2)	(69.3)	(70.5)	(76.0)	(76.0)	(76.0)	-	-	-	-	(367.9)
TOTAL	\$ (38.7)	\$ (246.9)	\$ (173.9)	\$ (131.3)	\$ (109.0)	\$ (113.2)	\$ (31.5)	\$ (30.0)	\$ (24.4)	\$ (22.2)	\$ (921.1)

### Incremental Headcount

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**City of Detroit**  
Ten-Year Plan of Adjustment  
Executive Agencies - Department Detail

**City of Detroit**

**Ten-Year Plan of Adjustment**

**Restructuring and Reinvestment Initiatives - Executive Agencies**

**Department of Administrative Hearings (DAH)**

(\$ in millions)

		For the Fiscal Year Ended										10-Year
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
<b>Revenues</b>												
1.	Collections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	a. Increased Collection Rate	-	-	-	-	-	-	-	-	-	-	-
3.	b. Collection of Past Due	-	-	-	-	-	-	-	-	-	-	-
4.	Pricing / Fees	-	-	-	-	-	-	-	-	-	-	-
5.	Grant Revenue	-	-	-	-	-	-	-	-	-	-	-
6.	Other	-	-	-	-	-	-	-	-	-	-	-
7.	<b>Total Revenues</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Expenditures</b>												
8.	Permanent Labor	-	-	-	-	-	-	-	-	-	-	-
9.	Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-
10.	Labor Costs / Service Contracts	-	-	-	-	-	-	-	-	-	-	-
11.	Active Benefits	-	-	-	-	-	-	-	-	-	-	-
12.	Training	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)
13.	Materials and Supplies	-	-	-	-	-	-	-	-	-	-	-
14.	Utilities	-	-	-	-	-	-	-	-	-	-	-
15.	Purchased services	-	-	-	-	-	-	-	-	-	-	-
16.	Risk management / insurance	-	-	-	-	-	-	-	-	-	-	-
17.	Contributions to non EP funds	-	-	-	-	-	-	-	-	-	-	-
18.	Transfers In / Out (General Fund)	-	-	-	-	-	-	-	-	-	-	-
19.	Grant related expenses	-	-	-	-	-	-	-	-	-	-	-
20.	Maintenance	-	-	-	-	-	-	-	-	-	-	-
21.	All Other	-	-	-	-	-	-	-	-	-	-	-
22.	<b>Total Operating Expenditures</b>	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)
23.	<b>Total Operating Surplus (Deficit)</b>	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)
<b>Reorganization / Investment</b>												
24.	Technology Infrastructure	-	(0.5)	-	-	-	-	-	-	-	-	(0.5)
25.	Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-
26.	Other Infrastructure	-	-	-	-	-	-	-	-	-	-	-
27.	Reorganization Costs	-	-	-	-	-	-	-	-	-	-	-
28.	<b>Total Reorganization / Investment</b>	-	(0.5)	-	-	-	-	-	-	-	-	(0.5)
29.	<b>Total Surplus (Deficit)</b>	\$ -	\$ (0.5)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.6)
30.	<b>Incremental Headcount (FTE)</b>	-	-	-	-	-	-	-	-	-	-	-

**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Executive Agencies**  
**Department of Administrative Hearings (DAH)**  
*(\$ in millions)*

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# City of Detroit

## Ten-Year Plan of Adjustment

### Restructuring and Reinvestment Initiatives - Executive Agencies

#### Finance Department (Finance)

(\$ in millions)

		For the Fiscal Year Ended										10-Year
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
<b>Revenues</b>												
1.	Collections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2.	a. Increased Collection Rate	1.2	4.9	4.9	5.2	5.2	5.2	5.2	5.2	5.2	5.2	47.5
3.	b. Collection of Past Due	1.5	3.0	3.0	2.5	-	-	-	-	-	-	10.0
4.	Pricing / Fees	-	-	-	-	-	-	-	-	-	-	-
5.	Grant Revenue	-	-	0.5	1.0	1.0	1.0	1.1	1.1	1.1	1.1	7.9
6.	Other	-	-	-	-	-	-	-	-	-	-	-
7.	<b>Total Revenues</b>	2.7	7.9	8.4	8.7	6.2	6.2	6.3	6.3	6.3	6.3	65.4
<b>Expenditures</b>												
8.	Permanent Labor	(0.7)	(5.5)	(6.3)	(6.5)	(6.7)	(6.8)	(7.0)	(7.1)	(7.2)	(7.4)	(61.2)
9.	Professional & Contract Services	(0.0)	0.7	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.9	7.6
10.	Labor Costs / Service Contracts	(0.7)	(4.8)	(5.5)	(5.6)	(5.8)	(6.0)	(6.1)	(6.2)	(6.4)	(6.5)	(53.6)
11.	Active Benefits	(0.3)	(2.5)	(2.8)	(2.9)	(3.0)	(3.1)	(3.1)	(3.2)	(3.3)	(3.3)	(27.5)
12.	Training	(0.0)	(0.5)	(0.9)	(0.7)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(5.9)
13.	Materials and Supplies	(0.0)	2.0	2.0	2.0	5.0	5.0	5.0	5.0	5.0	5.0	35.8
14.	Utilities	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)
15.	Purchased services	-	-	0.5	0.5	0.7	0.5	0.7	0.5	0.7	0.5	4.4
16.	Risk management / insurance	-	-	3.0	3.0	2.5	2.5	2.0	2.0	1.5	1.5	18.0
17.	Contributions to non EP funds	-	-	-	-	-	-	-	-	-	-	-
18.	Transfers In / Out (General Fund)	-	-	-	-	-	-	-	-	-	-	-
19.	Grant related expenses	-	-	-	-	-	-	-	-	-	-	-
20.	Maintenance	-	-	-	-	-	-	-	-	-	-	-
21.	All Other	(0.1)	-	-	-	-	-	-	-	-	-	(0.1)
22.	<b>Total Operating Expenditures</b>	(1.1)	(5.8)	(3.8)	(3.8)	(1.3)	(1.8)	(2.2)	(2.7)	(3.1)	(3.6)	(29.1)
23.	<b>Total Operating Surplus (Deficit)</b>	1.6	2.1	4.6	4.9	5.0	4.5	4.1	3.6	3.2	2.7	36.3
<b>Reorganization / Investment</b>												
24.	Technology Infrastructure	(1.7)	(34.6)	(17.3)	(8.8)	(6.7)	(6.6)	(4.2)	(5.3)	(5.5)	(4.2)	(94.8)
25.	Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-
26.	Other Infrastructure	-	-	-	-	-	-	-	-	-	-	-
27.	Reorganization Costs	(2.4)	(7.9)	(3.7)	(0.5)	(0.9)	(0.6)	(1.4)	(0.6)	(0.9)	(0.6)	(19.6)
28.	<b>Total Reorganization / Investment</b>	(4.1)	(42.4)	(21.0)	(9.3)	(7.6)	(7.3)	(5.6)	(5.9)	(6.4)	(4.8)	(114.5)
29.	<b>Total Surplus (Deficit)</b>	\$ (2.5)	\$ (40.3)	\$ (16.4)	\$ (4.4)	\$ (2.6)	\$ (2.8)	\$ (1.5)	\$ (2.3)	\$ (3.2)	\$ (2.1)	\$ (78.2)
30.	<b>Incremental Headcount (FTE)</b>	42	120	121	121	112	112	112	112	112	112	112

**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Executive Agencies**  
**Finance Department (Finance)**  
*(\$ in millions)*

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# City of Detroit

## Ten-Year Plan of Adjustment

### Restructuring and Reinvestment Initiatives - Executive Agencies

#### Fire Department (DFD)

(\$ in millions)

For the Fiscal Year Ended												10-Year
												Total



**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Executive Agencies**  
**Fire Department (DFD)**  
*(\$ in millions)*

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# City of Detroit

## Ten-Year Plan of Adjustment

### Restructuring and Reinvestment Initiatives - Executive Agencies

#### General Services Department (GSD)

(\$ in millions)

		For the Fiscal Year Ended										10-Year
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Revenues												
1.	Collections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2.	a. Increased Collection Rate	-	-	-	-	-	-	-	-	-	-	-
3.	b. Collection of Past Due	-	-	-	-	-	-	-	-	-	-	-
4.	Pricing / Fees	-	-	-	-	-	-	-	-	-	-	-
5.	Grant Revenue	1.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	20.3
6.	Other	-	-	-	-	-	-	-	-	-	-	-
7.	Total Revenues	1.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	20.3
Expenditures												
8.	Permanent Labor	(0.7)	(2.3)	(4.4)	(4.5)	(4.7)	(4.8)	(4.9)	(5.0)	(5.1)	(5.2)	(41.6)
9.	Professional & Contract Services	0.2	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	5.2
10.	Labor Costs / Service Contracts	(0.5)	(1.9)	(3.9)	(4.0)	(4.1)	(4.2)	(4.3)	(4.4)	(4.5)	(4.6)	(36.4)
11.	Active Benefits	(0.3)	(1.1)	(2.0)	(2.0)	(2.1)	(2.2)	(2.2)	(2.2)	(2.3)	(2.3)	(18.7)
12.	Training	-	(0.3)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(4.9)
13.	Materials and Supplies	(1.2)	(5.5)	(7.3)	(7.3)	(7.3)	(7.3)	(7.3)	(7.3)	(7.3)	(7.3)	(65.1)
14.	Utilities	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(2.4)
15.	Purchased services	-	-	-	-	-	-	-	-	-	-	-
16.	Risk management / insurance	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.7
17.	Contributions to non EP funds	-	-	-	-	-	-	-	-	-	-	-
18.	Transfers In / Out (General Fund)	-	-	-	-	-	-	-	-	-	-	-
19.	Grant related expenses	-	-	-	-	-	-	-	-	-	-	-
20.	Maintenance	-	-	-	-	-	-	-	-	-	-	-
21.	All Other	0.2	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	4.1
22.	Total Operating Expenditures	(2.1)	(8.5)	(13.5)	(13.6)	(13.8)	(14.0)	(14.1)	(14.2)	(14.4)	(14.5)	(122.7)
23.	Total Operating Surplus (Deficit)	(1.0)	(6.4)	(11.3)	(11.5)	(11.7)	(11.8)	(12.0)	(12.1)	(12.3)	(12.4)	(102.4)
Reorganization / Investment												
24.	Technology Infrastructure	-	-	-	-	-	-	-	-	-	-	-
25.	Capital Expenditures	(1.7)	(8.5)	(5.7)	(4.2)	(4.5)	(4.3)	(4.3)	(4.5)	(4.4)	(4.4)	(46.4)
26.	Other Infrastructure (Fleet)	(2.1)	(4.2)	(3.1)	(3.1)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(16.1)
27.	Reorganization Costs	-	(0.4)	-	-	-	-	-	-	-	-	(0.4)
28.	Total Reorganization / Investment	(3.8)	(13.1)	(8.9)	(7.3)	(5.1)	(4.9)	(4.9)	(5.1)	(5.0)	(5.0)	(62.9)
29.	Total Surplus (Deficit)	\$ (4.8)	\$ (19.4)	\$ (20.2)	\$ (18.8)	\$ (16.7)	\$ (16.7)	\$ (16.8)	\$ (17.2)	\$ (17.2)	\$ (17.4)	\$ (165.3)
30.	Incremental Headcount (FTE)	112	112	112	112	112	112	112	112	112	112	112

**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Executive Agencies**  
**General Services Department (GSD)**  
*(\$ in millions)*

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**City of Detroit**

**10-Year Plan of Adjustment  
Restructuring / Reinvestment Initiatives  
Human Resources Department**  
(\$ in millions)

		For the Fiscal Year Ended										10-Year
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Revenues												
1.	Collections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	a. Increased Collection Rate	-	-	-	-	-	-	-	-	-	-	-
3.	b. Collection of Past Due	-	-	-	-	-	-	-	-	-	-	-
4.	Pricing / Fees	-	-	-	-	-	-	-	-	-	-	-
5.	Grant Revenue	-	-	-	-	-	-	-	-	-	-	-
6.	Other	-	-	-	-	-	-	-	-	-	-	-
7.	Total Revenues	-	-	-	-	-	-	-	-	-	-	-
Expenditures												
8.	Permanent Labor	(0.0)	(0.9)	(1.3)	(1.4)	(1.4)	(1.4)	(1.5)	(1.5)	(1.5)	(1.5)	(12.5)
9.	Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-
10.	Labor Costs / Service Contracts	(0.0)	(0.9)	(1.3)	(1.4)	(1.4)	(1.4)	(1.5)	(1.5)	(1.5)	(1.5)	(12.5)
11.	Active Benefits	(0.0)	(0.4)	(0.6)	(0.6)	(0.6)	(0.6)	(0.7)	(0.7)	(0.7)	(0.7)	(5.6)
12.	Training	-	(0.4)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(6.6)
13.	Materials and Supplies	-	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(2.6)
14.	Utilities	-	-	-	-	-	-	-	-	-	-	-
15.	Purchased services	-	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.9)
16.	Risk management / insurance	-	-	-	-	-	-	-	-	-	-	-
17.	Contributions to non EP funds	-	-	-	-	-	-	-	-	-	-	-
18.	Transfers In / Out (General Fund)	-	-	-	-	-	-	-	-	-	-	-
19.	Grant related expenses	-	-	-	-	-	-	-	-	-	-	-
20.	Maintenance	-	-	-	-	-	-	-	-	-	-	-
21.	All Other	-	-	-	-	-	-	-	-	-	-	-
22.	Total Operating Expenditures	(0.0)	(2.0)	(3.1)	(3.1)	(3.2)	(3.2)	(3.3)	(3.3)	(3.4)	(3.4)	(28.2)
23.	Total Operating Surplus (Deficit)	(0.0)	(2.0)	(3.1)	(3.1)	(3.2)	(3.2)	(3.3)	(3.3)	(3.4)	(3.4)	(28.2)
Reorganization / Investment												
24.	Technology Infrastructure	-	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(1.3)
25.	Capital Expenditures	-	-	(1.0)	-	-	-	-	-	-	-	(1.0)
26.	Other Infrastructure	-	-	-	-	-	-	-	-	-	-	-
27.	Reorganization Costs	-	(1.4)	(1.0)	-	-	-	-	-	-	-	(2.4)
28.	Total Reorganization / Investment	-	(1.9)	(2.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(4.7)
29.	Total Surplus (Deficit)	\$ (0.0)	\$ (3.9)	\$ (5.2)	\$ (3.2)	\$ (3.3)	\$ (3.3)	\$ (3.4)	\$ (3.4)	\$ (3.5)	\$ (3.5)	\$ (32.9)
30.	Incremental Headcount (FTE)	4	19	22	22	22	22	22	22	22	22	22

**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Executive Agencies**  
**Human Resources Department (HR)**

		10-Year	
		Total	Assumptions / Comments
<b>Revenues</b>			
1.	Collections	\$ -	
2.	a. Increased Collection Rate	-	
3.	b. Collection of Past Due	-	
4.	Pricing / Fees	-	
5.	Grant Revenue	-	
6.	Other	-	
7.	<b>Total Revenues</b>	<b>-</b>	
<b>Expenditures</b>			
8.	Permanent Labor	(12.5)	FTE increases - Administration (1), Records (2), Central Services (2), Employee Services (3), Recruitment (7), Career Development (5), and Testing (2). FTE increases primarily focused on establishing a functioning recruitment, and selection and training function
9.	Professional & Contract Services	-	
10.	Labor Costs / Service Contracts	(12.5)	
11.	Active Benefits	(5.6)	Benefits at 45.0% of Permanent Labor costs
12.	Training	(6.6)	Training cost for all HR employees - \$2.0k per employee through FY '16, \$1.5k thereafter and also includes \$600k annual City-wide HR training
13.	Materials and Supplies	(2.6)	Estimated training and test development materials and supplies
14.	Utilities	-	
15.	Purchased services	(0.9)	Estimated cost for recruitment advertising budget
16.	Risk management / insurance	-	
17.	Contributions to non EP funds	-	
18.	Transfers In / Out (General Fund)	-	
19.	Grant related expenses	-	
20.	Maintenance	-	
21.	All Other	-	
22.	<b>Total Operating Expenditures</b>	<b>(28.2)</b>	
23.	<b>Total Operating Surplus (Deficit)</b>	<b>(28.2)</b>	
<b>Reorganization / Investment</b>			
24.	Technology Infrastructure	(1.3)	Learning center one-time IT costs and related maintenance
25.	Capital Expenditures	(1.0)	Estimated capital for training location (\$1.0MM)
26.	Other Infrastructure	-	
27.	Reorganization Costs	(2.4)	Cultural Change Agent engagement, and job description / classification and market compensation study
28.	<b>Total Reorganization / Investment</b>	<b>(4.7)</b>	
29.	<b>Total Surplus (Deficit)</b>	<b>\$ (32.9)</b>	
30.	<b>Incremental Headcount (FTE)</b>	<b>22.0</b>	

# City of Detroit

## Ten-Year Plan of Adjustment

### Restructuring and Reinvestment Initiatives - Executive Agencies

#### Human Resources Department - Labor Relations Division (LR)

(\$ in millions)

For the Fiscal Year Ended												10-Year			
2014201520162017201820192020202120222023												Total			
Revenues															
1.	Collections	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2.	a. Increased Collection Rate		-		-		-		-		-		-		-
3.	b. Collection of Past Due		-		-		-		-		-		-		-
4.	Pricing / Fees		-		-		-		-		-		-		-
5.	Grant Revenue		-		-		-		-		-		-		-
6.	Other		-		-		-		-		-		-		-
7.	Total Revenues		-		-		-		-		-		-		-
Expenditures															
8.	Permanent Labor		(0.0)		(0.1)		(0.4)		(0.4)		(0.4)		(0.5)		(3.7)
9.	Professional & Contract Services		-		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(0.9)
10.	Labor Costs / Service Contracts		(0.0)		(0.2)		(0.5)		(0.5)		(0.5)		(0.6)		(4.6)
11.	Active Benefits		(0.0)		(0.1)		(0.2)		(0.2)		(0.2)		(0.2)		(1.7)
12.	Training		-		(0.0)		(0.1)		(0.1)		(0.0)		(0.0)		(0.5)
13.	Materials and Supplies		-		-		-		-		-		-		-
14.	Utilities		-		-		-		-		-		-		-
15.	Purchased services		-		-		-		-		-		-		-
16.	Risk management / insurance		-		-		-		-		-		-		-
17.	Contributions to non EP funds		-		-		-		-		-		-		-
18.	Transfers In / Out (General Fund)		-		-		-		-		-		-		-
19.	Grant related expenses		-		-		-		-		-		-		-
20.	Maintenance		-		-		-		-		-		-		-
21.	All Other		-		-		-		-		-		-		-
22.	Total Operating Expenditures		(0.0)		(0.3)		(0.8)		(0.8)		(0.8)		(0.8)		(6.8)
23.	Total Operating Surplus (Deficit)		(0.0)		(0.3)		(0.8)		(0.8)		(0.8)		(0.8)		(6.8)
Reorganization / Investment															
24.	Technology Infrastructure		-		-		-		-		-		-		-
25.	Capital Expenditures		-		-		-		-		-		-		-
26.	Other Infrastructure		-		-		-		-		-		-		-
27.	Reorganization Costs		-		-		-		-		-		-		-
28.	Total Reorganization / Investment		-		-		-		-		-		-		-
29.	Total Surplus (Deficit)	\$	(0.0)	\$	(0.3)	\$	(0.8)	\$	(0.8)	\$	(0.8)	\$	(0.8)	\$	(6.8)
30.	Incremental Headcount (FTE)		2		3		11		11		11		11		11

## City of Detroit

### Ten-Year Plan of Adjustment

#### Restructuring and Reinvestment Initiatives - Executive Agencies

#### Human Resources Department - Labor Relations Division (LR)

(\$ in millions)

	10-Year Total	Assumptions / Comments
<b>Revenues</b>		
1. Collections	\$ -	
2. a. Increased Collection Rate	-	
3. b. Collection of Past Due	-	
4. Pricing / Fees	-	
5. Grant Revenue	-	
6. Other	-	
7. <b>Total Revenues</b>	-	
<b>Expenditures</b>		
8. Permanent Labor	(3.7)	Addition of 11 employees for labor relations and benefits functions. FTE increase primarily relates to establishing proper oversight, monitoring, and compliance with union contracts
9. Professional & Contract Services	(0.9)	
10. Labor Costs / Service Contracts	(4.6)	
11. Active Benefits	(1.7)	Benefits at 45.0% of Permanent Labor costs
12. Training	(0.5)	Training cost for all department employees - \$2.0k per employee through FY '16, \$1.5k thereafter to establish a continuous training program
13. Materials and Supplies	-	
14. Utilities	-	
15. Purchased services	-	
16. Risk management / insurance	-	
17. Contributions to non EP funds	-	
18. Transfers In / Out (General Fund)	-	
19. Grant related expenses	-	
20. Maintenance	-	
21. All Other	-	
22. <b>Total Operating Expenditures</b>	(6.8)	
23. <b>Total Operating Surplus (Deficit)</b>	(6.8)	
<b>Reorganization / Investment</b>		
24. Technology Infrastructure	-	
25. Capital Expenditures	-	
26. Other Infrastructure	-	
27. Reorganization Costs	-	
28. <b>Total Reorganization / Investment</b>	-	
29. <b>Total Surplus (Deficit)</b>	\$ (6.8)	
30. <b>Incremental Headcount (FTE)</b>	11	

# City of Detroit

## Ten-Year Plan of Adjustment

### Restructuring and Reinvestment Initiatives - Executive Agencies

#### Human Rights / Board of Ethics Department (Human Rights)

(\$ in millions)

For the Fiscal Year Ended												10-Year							
2014201520162017201820192020202120222023												Total							
Revenues																			
1.	Collections	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	-	
2.	a. Increased Collection Rate		-		-		0.2		0.2		0.3		0.3		0.3		0.4	0.4	2.5
3.	b. Collection of Past Due		-		-		-		-		-		-		-		-	-	-
4.	Pricing / Fees		-		-		-		-		-		-		-		-	-	-
5.	Grant Revenue		-		-		-		-		-		-		-		-	-	-
6.	Other		-		-		-		-		-		-		-		-	-	-
7.	Total Revenues		-		-		0.2		0.2		0.3		0.3		0.3		0.4	0.4	2.5
Expenditures																			
8.	Permanent Labor		-		(0.3)		(0.3)		(0.3)		(0.3)		(0.4)		(0.4)		(0.4)	(0.4)	(3.1)
9.	Professional & Contract Services		-		-		-		-		-		-		-		-	-	-
10.	Labor Costs / Service Contracts		-		(0.3)		(0.3)		(0.3)		(0.3)		(0.4)		(0.4)		(0.4)	(0.4)	(3.1)
11.	Active Benefits		-		(0.1)		(0.1)		(0.2)		(0.2)		(0.2)		(0.2)		(0.2)	(0.2)	(1.4)
12.	Training		-		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)	(0.1)	(0.9)
13.	Materials and Supplies		-		-		-		-		-		-		-		-	-	-
14.	Utilities		-		-		-		-		-		-		-		-	-	-
15.	Purchased services		-		-		-		-		-		-		-		-	-	-
16.	Risk management / insurance		-		-		-		-		-		-		-		-	-	-
17.	Contributions to non EP funds		-		-		-		-		-		-		-		-	-	-
18.	Transfers In / Out (General Fund)		-		-		-		-		-		-		-		-	-	-
19.	Grant related expenses		-		-		-		-		-		-		-		-	-	-
20.	Maintenance		-		-		-		-		-		-		-		-	-	-
21.	All Other		-		-		-		-		-		-		-		-	-	-
22.	Total Operating Expenditures		-		(0.4)		(0.6)		(0.6)		(0.6)		(0.6)		(0.6)		(0.6)	(0.7)	(5.4)
23.	Total Operating Surplus (Deficit)		-		(0.4)		(0.4)		(0.4)		(0.3)		(0.3)		(0.3)		(0.2)	(0.3)	(2.9)
Reorganization / Investment																			
24.	Technology Infrastructure		-		(0.1)		-		-		-		-		-		-	-	(0.1)
25.	Capital Expenditures		-		-		-		-		-		-		-		-	-	-
26.	Other Infrastructure		-		-		-		-		-		-		-		-	-	-
27.	Reorganization Costs		-		-		-		-		-		-		-		-	-	-
28.	Total Reorganization / Investment		-		(0.1)		-		-		-		-		-		-	-	(0.1)
29.	Total Surplus (Deficit)	\$	-	\$	(0.5)	\$	(0.4)	\$	(0.4)	\$	(0.3)	\$	(0.3)	\$	(0.3)	\$	(0.2)	(0.3)	(3.0)
30.	Incremental Headcount (FTE)		-		6		6		6		6		6		6		6	6	6



## (\$ in millions)

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**City of Detroit**

**Ten-Year Plan of Adjustment**

**Restructuring and Reinvestment Initiatives - Executive Agencies**

**Law Department (Law)**

(\$ in millions)

For the Fiscal Year Ended												10-Year										
2014												2015	2016	2017	2018	2019	2020	2021	2022	2023	Total	
Revenues																						
1.	Collections	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	
2.	a. Increased Collection Rate		-		-		0.6		0.6		0.6		0.6		0.6		0.6		0.6		4.4	
3.	b. Collection of Past Due		-		-		-		-		-		-		-		-		-		-	
4.	Pricing / Fees		-		-		-		-		-		-		-		-		-		-	
5.	Grant Revenue		-		-		-		-		-		-		-		-		-		-	
6.	Other		-		-		-		-		-		-		-		-		-		-	
7.	Total Revenues		-		-		0.6		0.6		0.6		0.6		0.6		0.6		0.6		4.4	
Expenditures																						
8.	Permanent Labor		-		(0.7)		(1.5)		(1.5)		(1.5)		(1.6)		(1.6)		(1.6)		(1.7)		(13.4)	
9.	Professional & Contract Services		-		-		-		-		-		-		-		-		-		-	
10.	Labor Costs / Service Contracts		-		(0.7)		(1.5)		(1.5)		(1.5)		(1.6)		(1.6)		(1.6)		(1.7)		(13.4)	
11.	Active Benefits		-		(0.3)		(0.7)		(0.7)		(0.7)		(0.7)		(0.7)		(0.7)		(0.7)		(6.0)	
12.	Training		-		(0.1)		(0.2)		(0.2)		(0.2)		(0.2)		(0.2)		(0.2)		(0.2)		(1.4)	
13.	Materials and Supplies		-		-		-		-		-		-		-		-		-		-	
14.	Utilities		-		-		-		-		-		-		-		-		-		-	
15.	Purchased services		-		0.8		0.8		0.8		0.8		0.8		0.8		0.8		0.8		6.8	
16.	Risk management / insurance		-		2.0		2.0		2.0		2.0		2.0		2.0		2.0		2.0		18.0	
17.	Contributions to non EP funds		-		-		-		-		-		-		-		-		-		-	
18.	Transfers In / Out (General Fund)		-		-		-		-		-		-		-		-		-		-	
19.	Grant related expenses		-		-		-		-		-		-		-		-		-		-	
20.	Maintenance		-		-		-		-		-		-		-		-		-		-	
21.	All Other		-		-		-		-		-		-		-		-		-		-	
22.	Total Operating Expenditures		-		1.6		0.4		0.4		0.4		0.3		0.3		0.2		0.2		4.0	
23.	Total Operating Surplus (Deficit)		-		1.6		1.0		1.0		0.9		0.9		0.8		0.8		0.7		8.4	
Reorganization / Investment																						
24.	Technology Infrastructure		(0.5)		-		-		-		-		-		-		-		-		(0.5)	
25.	Capital Expenditures		-		-		-		-		-		-		-		-		-		-	
26.	Other Infrastructure		-		-		-		-		-		-		-		-		-		-	
27.	Reorganization Costs		-		(0.1)		-		-		-		-		-		-		-		(0.1)	
28.	Total Reorganization / Investment		(0.5)		(0.1)		-		-		-		-		-		-		-		(0.6)	
29.	Total Surplus (Deficit)	\$	(0.5)	\$	1.5	\$	1.0	\$	1.0	\$	0.9	\$	0.9	\$	0.8	\$	0.8	\$	0.7	\$	7.8	
30.	Incremental Headcount (FTE)		-		9		17		17		17		17		17		17		17		17	

## City of Detroit

### Ten-Year Plan of Adjustment

#### Restructuring and Reinvestment Initiatives - Executive Agencies

#### Law Department (Law)

(\$ in millions)

	10-Year Total	Assumptions / Comments
<b>Revenues</b>		
1. Collections	\$ -	
2. a. Increased Collection Rate	4.4	Assumes annual improvement to collections due to additional internal legal labor resources
3. b. Collection of Past Due	-	
4. Pricing / Fees	-	
5. Grant Revenue	-	
6. Other	-	
7. <b>Total Revenues</b>	<b>4.4</b>	
<b>Expenditures</b>		
8. Permanent Labor	(13.4)	17 additional employees primarily dedicated to aggressively pursuing receivable collection efforts and to more rigorously defend City against certain legal actions
9. Professional & Contract Services	-	
10. Labor Costs / Service Contracts	(13.4)	
11. Active Benefits	(6.0)	Benefits at 45.0% of Permanent Labor costs
12. Training	(1.4)	Training cost for all department employees - \$2.0k per employee through FY '16, \$1.5k thereafter to establish a continuous training program
13. Materials and Supplies	-	
14. Utilities	-	
15. Purchased services	6.8	Assumes \$750.0k annual reduction in outside legal costs due to additional internal labor resources
16. Risk management / insurance	18.0	Assumes \$2.0MM annual reduction in lawsuit settlements as a result of additional internal labor resources
17. Contributions to non EP funds	-	
18. Transfers In / Out (General Fund)	-	
19. Grant related expenses	-	
20. Maintenance	-	
21. All Other	-	
22. <b>Total Operating Expenditures</b>	<b>4.0</b>	
23. <b>Total Operating Surplus (Deficit)</b>	<b>8.4</b>	
<b>Reorganization / Investment</b>		
24. Technology Infrastructure	(0.5)	Purchase of City Law IT application
25. Capital Expenditures	-	
26. Other Infrastructure	-	
27. Reorganization Costs	(0.1)	Implementation cost of City Law IT application
28. <b>Total Reorganization / Investment</b>	<b>(0.6)</b>	
29. <b>Total Surplus (Deficit)</b>	<b>\$ 7.8</b>	
30. <b>Incremental Headcount (FTE)</b>	<b>17</b>	

**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Executive Agencies**  
**Mayor's Office**  
*(\$ in millions)*

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## City of Detroit

### Ten-Year Plan of Adjustment

#### Restructuring and Reinvestment Initiatives - Executive Agencies

#### Mayor's Office

(\$ in millions)

	10-Year Total	Assumptions / Comments
<b>Revenues</b>		
1. Collections	\$ -	
2. a. Increased Collection Rate	-	
3. b. Collection of Past Due	-	
4. Pricing / Fees	-	
5. Grant Revenue	-	
6. Other	-	
7. <b>Total Revenues</b>	-	
<b>Expenditures</b>		
8. Permanent Labor	(13.3)	Additional personnel in new Mayor's team for Neighborhoods and Lean Process Improvement
9. Professional & Contract Services	-	
10. Labor Costs / Service Contracts	(13.3)	
11. Active Benefits	(6.1)	Benefits at 45.0% of Permanent Labor
12. Training	(0.7)	Training cost for all department employees - \$2.0k per employee through FY '16, \$1.5k thereafter to establish a continuous training program
13. Materials and Supplies	-	
14. Utilities	-	
15. Purchased services	0.6	Reduction in Personnel Service Contractors on Mayor's staff
16. Risk management / insurance	-	
17. Contributions to non EP funds	-	
18. Transfers In / Out (General Fund)	-	
19. Grant related expenses	-	
20. Maintenance	-	
21. All Other	17.4	City-wide savings impact resulting from additional personnel in new Mayor's team for Neighborhoods and Lean Process Improvement
22. <b>Total Operating Expenditures</b>	(2.1)	
23. <b>Total Operating Surplus (Deficit)</b>	(2.1)	
<b>Reorganization / Investment</b>		
24. Technology Infrastructure	-	
25. Capital Expenditures	-	
26. Other Infrastructure	-	
27. Reorganization Costs	-	
28. <b>Total Reorganization / Investment</b>	-	
29. <b>Total Surplus (Deficit)</b>	\$ (2.1)	
30. <b>Incremental Headcount (FTE)</b>	31.0	

**City of Detroit**

**Ten-Year Plan of Adjustment**

**Restructuring and Reinvestment Initiatives - Executive Agencies**

**Planning and Development Department (PDD)**

(\$ in millions)

For the Fiscal Year Ended												10-Year					
2014201520162017201820192020202120222023												Total					
Revenues																	
1.	Collections	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2.	a. Increased Collection Rate		-		-		-		-		-		-		-		-
3.	b. Collection of Past Due		-		-		-		-		-		-		-		-
4.	Pricing / Fees		-		-		-		-		-		-		-		-
5.	Grant Revenue		-		-		-		-		-		-		-		-
6.	Other		-		-		-		-		-		-		-		-
7.	Total Revenues		-		-		-		-		-		-		-		-
Expenditures																	
8.	Permanent Labor		(0.3)		(0.8)		(0.7)		(0.7)		(0.7)		(0.8)		(0.8)		(0.8)
9.	Professional & Contract Services		-		-		-		-		-		-		-		-
10.	Labor Costs / Service Contracts		(0.3)		(0.8)		(0.7)		(0.7)		(0.7)		(0.8)		(0.8)		(0.8)
11.	Active Benefits		(0.1)		(0.4)		(0.3)		(0.3)		(0.3)		(0.4)		(0.4)		(0.4)
12.	Training		-		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)
13.	Materials and Supplies		-		-		-		-		-		-		-		-
14.	Utilities		-		-		-		-		-		-		-		-
15.	Purchased services		-		-		-		-		-		-		-		-
16.	Risk management / insurance		-		-		-		-		-		-		-		-
17.	Contributions to non EP funds		-		-		-		-		-		-		-		-
18.	Transfers In / Out (General Fund)		-		-		-		-		-		-		-		-
19.	Grant related expenses		-		-		-		-		-		-		-		-
20.	Maintenance		-		-		-		-		-		-		-		-
21.	All Other		-		0.1		0.2		0.2		0.2		0.2		0.2		0.2
22.	Total Operating Expenditures		(0.4)		(1.2)		(1.0)		(0.9)		(1.0)		(1.0)		(1.0)		(1.1)
23.	Total Operating Surplus (Deficit)		(0.4)		(1.2)		(1.0)		(0.9)		(1.0)		(1.0)		(1.0)		(1.1)
Reorganization / Investment																	
24.	Technology Infrastructure		-		(0.6)		(0.0)		(0.0)		(0.0)		(0.0)		(0.0)		(0.0)
25.	Capital Expenditures		-		-		-		-		-		-		-		-
26.	Other Infrastructure		-		-		-		-		-		-		-		-
27.	Reorganization Costs		(0.6)		(6.8)		(0.8)		-		-		(1.0)		(1.0)		-
28.	Total Reorganization / Investment		(0.6)		(7.3)		(0.9)		(0.0)		(0.0)		(1.0)		(1.0)		(0.0)
29.	Total Surplus (Deficit)	\$	(1.0)	\$	(8.5)	\$	(1.8)	\$	(1.0)	\$	(1.0)	\$	(1.0)	\$	(2.1)	\$	(2.1)
30.	Incremental Headcount (FTE)		16		(32)		(34)		(34)		(34)		(34)		(34)		(34)

**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Executive Agencies**  
**Planning and Development Department (PDD)**  
*(\$ in millions)*

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## (\$ in millions)

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**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Executive Agencies**  
**Police Department (DPD)**  
*(\$ in millions)*

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**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Executive Agencies**  
**Department of Public Works (DPW) - General Fund**  
*(\$ in millions)*

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**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Executive Agencies**  
**Department of Public Works (DPW) - General Fund**  
*(\$ in millions)*

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**City of Detroit**

**Ten-Year Plan of Adjustment**

**Restructuring and Reinvestment Initiatives - Executive Agencies**

**Recreation**

(\$ in millions)

For the Fiscal Year Ended												10-Year										
2014												2015	2016	2017	2018	2019	2020	2021	2022	2023	Total	
Revenues																						
1.	Collections	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	
2.	a. Increased Collection Rate		-		-		0.1		0.1		0.1		0.1		0.1		0.1		0.1		0.5	
3.	b. Collection of Past Due		-		-		-		-		-		-		-		-		-		-	
4.	Pricing / Fees		-		-		-		-		-		-		-		-		-		-	
5.	Grant Revenue		-		-		-		-		-		-		-		-		-		-	
6.	Other		-		-		-		-		-		-		-		-		-		-	
7.	Total Revenues		-		-		0.1		0.1		0.1		0.1		0.1		0.1		0.1		0.5	
Expenditures																						
8.	Permanent Labor		-		-		-		-		-		-		-		-		-		-	
9.	Professional & Contract Services		-		-		-		-		-		-		-		-		-		-	
10.	Labor Costs / Service Contracts		-		-		-		-		-		-		-		-		-		-	
11.	Active Benefits		-		-		-		-		-		-		-		-		-		-	
12.	Training		-		(0.0)		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(0.8)	
13.	Materials and Supplies		-		-		-		-		-		-		-		-		-		-	
14.	Utilities		-		-		-		-		-		-		-		-		-		-	
15.	Purchased services		-		-		-		-		-		-		-		-		-		-	
16.	Risk management / insurance		-		-		-		-		-		-		-		-		-		-	
17.	Contributions to non EP funds		-		-		-		-		-		-		-		-		-		-	
18.	Transfers In / Out (General Fund)		-		-		-		-		-		-		-		-		-		-	
19.	Grant related expenses		-		-		-		-		-		-		-		-		-		-	
20.	Maintenance		-		-		-		-		-		-		-		-		-		-	
21.	All Other		-		-		-		-		-		-		-		-		-		-	
22.	Total Operating Expenditures		-		(0.0)		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(0.8)	
23.	Total Operating Surplus (Deficit)		-		(0.0)		(0.0)		(0.0)		(0.0)		(0.0)		(0.0)		(0.0)		(0.0)		(0.3)	
Reorganization / Investment																						
24.	Technology Infrastructure		-		-		-		-		-		-		-		-		-		-	
25.	Capital Expenditures		(0.9)		(8.9)		(3.1)		(3.3)		(3.0)		(4.0)		(4.3)		(4.0)		(4.0)		(39.5)	
26.	Other Infrastructure		-		-		-		-		-		-		-		-		-		-	
27.	Reorganization Costs		-		-		-		-		-		-		-		-		-		-	
28.	Total Reorganization / Investment		(0.9)		(8.9)		(3.1)		(3.3)		(3.0)		(4.0)		(4.3)		(4.0)		(4.0)		(39.5)	
29.	Total Surplus (Deficit)	\$	(0.9)	\$	(8.9)	\$	(3.1)	\$	(3.3)	\$	(3.1)	\$	(4.0)	\$	(4.3)	\$	(4.0)	\$	(4.0)	\$	(39.8)	
30.	Incremental Headcount (FTE)		-		-		-		-		-		-		-		-		-		-	

## (\$ in millions)

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**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Executive Agencies**  
**Department of Health & Wellness Promotion (DHWP)**  
*(\$ in millions)*

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## (\$ in millions)

### 30. Incremental Headcount (FTE)

**City of Detroit**  
Ten-Year Plan of Adjustment  
Legislative Agencies - Department Detail



**City of Detroit**

**Ten-Year Plan of Adjustment**

**Restructuring and Reinvestment Initiatives - Legislative Agencies**

**Auditor General (AG) and Inspector General (IG)**

(\$ in millions)

For the Fiscal Year Ended												10-Year			
2014201520162017201820192020202120222023												Total			
Revenues															
1.	Collections	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2.	a. Increased Collection Rate		-		-		-		-		-		-		-
3.	b. Collection of Past Due		-		-		-		-		-		-		-
4.	Pricing / Fees		-		-		-		-		-		-		-
5.	Grant Revenue		-		-		-		-		-		-		-
6.	Other		-		-		-		-		-		-		-
7.	Total Revenues		-		-		-		-		-		-		-
Expenditures															
8.	Permanent Labor		-		(0.2)		(0.3)		(0.3)		(0.3)		(0.3)		(2.5)
9.	Professional & Contract Services		-		-		-		-		-		-		-
10.	Labor Costs / Service Contracts		-		(0.2)		(0.3)		(0.3)		(0.3)		(0.3)		(2.5)
11.	Active Benefits		-		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(1.1)
12.	Training		-		(0.0)		(0.0)		(0.0)		(0.0)		(0.0)		(0.3)
13.	Materials and Supplies		-		-		-		-		-		-		-
14.	Utilities		-		-		-		-		-		-		-
15.	Purchased services		-		-		-		-		-		-		-
16.	Risk management / insurance		-		-		-		-		-		-		-
17.	Contributions to non EP funds		-		-		-		-		-		-		-
18.	Transfers In / Out (General Fund)		-		-		-		-		-		-		-
19.	Grant related expenses		-		-		-		-		-		-		-
20.	Maintenance		-		-		-		-		-		-		-
21.	All Other		-		-		-		-		-		-		-
22.	Total Operating Expenditures		-		(0.3)		(0.4)		(0.4)		(0.4)		(0.5)		(3.9)
23.	Total Operating Surplus (Deficit)		-		(0.3)		(0.4)		(0.4)		(0.4)		(0.5)		(3.9)
Reorganization / Investment															
24.	Technology Infrastructure		-		(0.1)		(0.0)		(0.0)		(0.0)		(0.0)		(0.4)
25.	Capital Expenditures		-		-		-		-		-		-		-
26.	Other Infrastructure		-		-		-		-		-		-		-
27.	Reorganization Costs		-		-		-		-		-		-		-
28.	Total Reorganization / Investment		-		(0.1)		(0.0)		(0.0)		(0.0)		(0.0)		(0.4)
29.	Total Surplus (Deficit)	\$	-	\$	(0.4)	\$	(0.4)	\$	(0.4)	\$	(0.5)	\$	(0.6)	\$	(4.2)
30.	Incremental Headcount (FTE)		-		4		4		4		4		4		4

## City of Detroit

### Ten-Year Plan of Adjustment

#### Restructuring and Reinvestment Initiatives - Legislative Agencies

#### Auditor General (AG) and Inspector General (IG)

(\$ in millions)

	10-Year Total	Assumptions / Comments
<b>Revenues</b>		
1. Collections	\$ -	
2. a. Increased Collection Rate	-	
3. b. Collection of Past Due	-	
4. Pricing / Fees	-	
5. Grant Revenue	-	
6. Other	-	
7. <b>Total Revenues</b>	-	
<b>Expenditures</b>		
8. Permanent Labor	(2.5)	Addition of 4 employees to fill current vacancies and increase the frequency of the City's financial and operational audits
9. Professional & Contract Services	-	
10. Labor Costs / Service Contracts	(2.5)	
11. Active Benefits	(1.1)	Benefits at 45.0% of salary and wages
12. Training	(0.3)	Training cost for all department employees - \$2.0k per employee through FY '16, \$1.5k thereafter to establish a continuous training program
13. Materials and Supplies	-	
14. Utilities	-	
15. Purchased services	-	
16. Risk management / insurance	-	
17. Contributions to non EP funds	-	
18. Transfers In / Out (General Fund)	-	
19. Grant related expenses	-	
20. Maintenance	-	
21. All Other	-	
22. <b>Total Operating Expenditures</b>	(3.9)	
23. <b>Total Operating Surplus (Deficit)</b>	(3.9)	
<b>Reorganization / Investment</b>		
24. Technology Infrastructure	(0.4)	Electronic work-papers and incremental hardware / software investment
25. Capital Expenditures	-	
26. Other Infrastructure	-	
27. Reorganization Costs	-	
28. <b>Total Reorganization / Investment</b>	(0.4)	
29. <b>Total Surplus (Deficit)</b>	\$ (4.2)	
30. <b>Incremental Headcount (FTE)</b>	4	

**City of Detroit**

**Ten-Year Plan of Adjustment**

**Restructuring and Reinvestment Initiatives - Legislative Agencies**

**Board of Zoning Appeals (BZA)**

(\$ in millions)

		For the Fiscal Year Ended										10-Year
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Revenues												
1.	Collections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	a. Increased Collection Rate	-	-	-	-	-	-	-	-	-	-	-
3.	b. Collection of Past Due	-	-	-	-	-	-	-	-	-	-	-
4.	Pricing / Fees	-	-	-	-	-	-	-	-	-	-	-
5.	Grant Revenue	-	-	-	-	-	-	-	-	-	-	-
6.	Other	-	-	-	-	-	-	-	-	-	-	-
7.	Total Revenues	-	-	-	-	-	-	-	-	-	-	-
Expenditures												
8.	Permanent Labor	-	-	-	-	-	-	-	-	-	-	-
9.	Professional & Contract Services	-	-	-	-	-	-	-	-	-	-	-
10.	Labor Costs / Service Contracts	-	-	-	-	-	-	-	-	-	-	-
11.	Active Benefits	-	-	-	-	-	-	-	-	-	-	-
12.	Training	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)
13.	Materials and Supplies	-	-	-	-	-	-	-	-	-	-	-
14.	Utilities	-	-	-	-	-	-	-	-	-	-	-
15.	Purchased services	-	-	-	-	-	-	-	-	-	-	-
16.	Risk management / insurance	-	-	-	-	-	-	-	-	-	-	-
17.	Contributions to non EP funds	-	-	-	-	-	-	-	-	-	-	-
18.	Transfers In / Out (General Fund)	-	-	-	-	-	-	-	-	-	-	-
19.	Grant related expenses	-	-	-	-	-	-	-	-	-	-	-
20.	Maintenance	-	-	-	-	-	-	-	-	-	-	-
21.	All Other	-	-	-	-	-	-	-	-	-	-	-
22.	Total Operating Expenditures	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)
23.	Total Operating Surplus (Deficit)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)
Reorganization / Investment												
24.	Technology Infrastructure	-	-	-	-	-	-	-	-	-	-	-
25.	Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-
26.	Other Infrastructure	-	-	-	-	-	-	-	-	-	-	-
27.	Reorganization Costs	-	-	-	-	-	-	-	-	-	-	-
28.	Total Reorganization / Investment	-	-	-	-	-	-	-	-	-	-	-
29.	Total Surplus (Deficit)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ (0.2)
30.	Incremental Headcount (FTE)	-	-	-	-	-	-	-	-	-	-	-

## (\$ in millions)

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## (\$ in millions)

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## (\$ in millions)

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**City of Detroit**

**Ten-Year Plan of Adjustment**

**Restructuring and Reinvestment Initiatives - Legislative Agencies**

**City Council**

(\$ in millions)

		For the Fiscal Year Ended										10-Year
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Revenues												
1.	Collections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	a. Increased Collection Rate	-	-	-	-	-	-	-	-	-	-	-
3.	b. Collection of Past Due	-	-	-	-	-	-	-	-	-	-	-
4.	Pricing / Fees	-	-	-	-	-	-	-	-	-	-	-
5.	Grant Revenue	-	-	-	-	-	-	-	-	-	-	-
6.	Other	-	-	-	-	-	-	-	-	-	-	-
7.	Total Revenues	-	-	-	-	-	-	-	-	-	-	-
Expenditures												
8.	Permanent Labor	-	-	-	-	-	-	-	-	-	-	-
9.	Professional & Contract Services	0.0	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	3.9
10.	Labor Costs / Service Contracts	0.0	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	3.9
11.	Active Benefits	-	-	-	-	-	-	-	-	-	-	-
12.	Training	-	-	-	-	-	-	-	-	-	-	-
13.	Materials and Supplies	-	-	-	-	-	-	-	-	-	-	-
14.	Utilities	-	-	-	-	-	-	-	-	-	-	-
15.	Purchased services	-	-	-	-	-	-	-	-	-	-	-
16.	Risk management / insurance	-	-	-	-	-	-	-	-	-	-	-
17.	Contributions to non EP funds	-	-	-	-	-	-	-	-	-	-	-
18.	Transfers In / Out (General Fund)	-	-	-	-	-	-	-	-	-	-	-
19.	Grant related expenses	-	-	-	-	-	-	-	-	-	-	-
20.	Maintenance	-	-	-	-	-	-	-	-	-	-	-
21.	All Other	-	-	-	-	-	-	-	-	-	-	-
22.	Total Operating Expenditures	0.0	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	3.9
23.	Total Operating Surplus (Deficit)	0.0	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	3.9
Reorganization / Investment												
24.	Technology Infrastructure	-	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)
25.	Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-
26.	Other Infrastructure	-	-	-	-	-	-	-	-	-	-	-
27.	Reorganization Costs	-	-	-	-	-	-	-	-	-	-	-
28.	Total Reorganization / Investment	-	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)
29.	Total Surplus (Deficit)	\$ 0.0	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 3.8
30.	Incremental Headcount (FTE)	-	-	-	-	-	-	-	-	-	-	-

**City of Detroit****Ten-Year Plan of Adjustment****Restructuring and Reinvestment Initiatives - Legislative Agencies****City Council**

(\$ in millions)

	10-Year Total	Assumptions / Comments
<b>Revenues</b>		
1. Collections	\$ -	
2. a. Increased Collection Rate	-	
3. b. Collection of Past Due	-	
4. Pricing / Fees	-	
5. Grant Revenue	-	
6. Other	-	
7. <b>Total Revenues</b>	-	
<b>Expenditures</b>		
8. Permanent Labor	-	
9. Professional & Contract Services	3.9	Savings due to transfer of 6 contractors from CPC / HDAB to PDD
10. Labor Costs / Service Contracts	3.9	
11. Active Benefits	-	
12. Training	-	
13. Materials and Supplies	-	
14. Utilities	-	
15. Purchased services	-	
16. Risk management / insurance	-	
17. Contributions to non EP funds	-	
18. Transfers In / Out (General Fund)	-	
19. Grant related expenses	-	
20. Maintenance	-	
21. All Other	-	
22. <b>Total Operating Expenditures</b>	3.9	
23. <b>Total Operating Surplus (Deficit)</b>	3.9	
<b>Reorganization / Investment</b>		
24. Technology Infrastructure	(0.2)	Assumed \$50K in FY 15 for hardware improvements and annual \$15K increase from current run-rates
25. Capital Expenditures	-	
26. Other Infrastructure	-	
27. Reorganization Costs	-	
28. <b>Total Reorganization / Investment</b>	(0.2)	
29. <b>Total Surplus (Deficit)</b>	\$ 3.8	
30. <b>Incremental Headcount (FTE)</b>	-	



**City of Detroit**

**Ten-Year Plan of Adjustment**

**Restructuring and Reinvestment Initiatives - Legislative Agencies**

**Department of Elections (Elections)**

(\$ in millions)

For the Fiscal Year Ended												10-Year										
2014												2015	2016	2017	2018	2019	2020	2021	2022	2023	Total	
Revenues																						
1.	Collections	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	
2.	a. Increased Collection Rate		-		-		-		-		-		-		-		-		-		-	
3.	b. Collection of Past Due		-		-		-		-		-		-		-		-		-		-	
4.	Pricing / Fees		-		-		-		-		-		-		-		-		-		-	
5.	Grant Revenue		-		-		-		-		-		-		-		-		-		-	
6.	Other		-		-		-		-		-		-		-		-		-		-	
7.	Total Revenues		-		-		-		-		-		-		-		-		-		-	
Expenditures																						
8.	Permanent Labor		-		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.4	
9.	Professional & Contract Services		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.4	
10.	Labor Costs / Service Contracts		0.0		0.1		0.1		0.1		0.1		0.1		0.1		0.1		0.1		0.8	
11.	Active Benefits		-		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.2	
12.	Training		-		(0.0)		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(0.1)		(0.6)	
13.	Materials and Supplies		-		-		-		-		-		-		-		-		-		-	
14.	Utilities		-		-		-		-		-		-		-		-		-		-	
15.	Purchased services		-		-		-		-		-		-		-		-		-		-	
16.	Risk management / insurance		-		-		-		-		-		-		-		-		-		-	
17.	Contributions to non EP funds		-		-		-		-		-		-		-		-		-		-	
18.	Transfers In / Out (General Fund)		-		-		-		-		-		-		-		-		-		-	
19.	Grant related expenses		-		-		-		-		-		-		-		-		-		-	
20.	Maintenance		-		-		-		-		-		-		-		-		-		-	
21.	All Other		-		-		-		-		-		-		-		-		-		-	
22.	Total Operating Expenditures		0.0		0.1		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.4	
23.	Total Operating Surplus (Deficit)		0.0		0.1		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.4	
Reorganization / Investment																						
24.	Technology Infrastructure		(0.0)		-		-		-		-		-		-		-		-		(0.0)	
25.	Capital Expenditures		-		-		(0.4)		(0.6)		(0.3)		-		(0.5)		(0.5)		(0.5)		(3.3)	
26.	Other Infrastructure		-		-		-		-		-		-		-		-		-		-	
27.	Reorganization Costs		-		-		-		-		-		-		-		-		-		-	
28.	Total Reorganization / Investment		(0.0)		-		(0.4)		(0.6)		(0.3)		-		(0.5)		(0.5)		(0.5)		(3.3)	
29.	Total Surplus (Deficit)	\$	0.0	\$	0.1	\$	(0.3)	\$	(0.6)	\$	(0.2)	\$	0.0	\$	(0.5)	\$	(0.5)	\$	(0.5)	\$	(2.9)	
30.	Incremental Headcount (FTE)		-		-		-		-		-		-		-		-		-		-	

## City of Detroit

### Ten-Year Plan of Adjustment

#### Restructuring and Reinvestment Initiatives - Legislative Agencies

#### Department of Elections (Elections)

(\$ in millions)

	10-Year Total	Assumptions / Comments
<b>Revenues</b>		
1. Collections	\$ -	
2. a. Increased Collection Rate	-	
3. b. Collection of Past Due	-	
4. Pricing / Fees	-	
5. Grant Revenue	-	
6. Other	-	
7. <b>Total Revenues</b>	-	
<b>Expenditures</b>		
8. Permanent Labor	0.4	Reduction due to elimination of employee with higher salary
9. Professional & Contract Services	0.4	Reduction due to elimination of 50% of poll workers / ballot counters related to technology investment
10. Labor Costs / Service Contracts	0.8	
11. Active Benefits	0.2	Benefits at 45.0% of Permanent Labor costs
12. Training	(0.6)	Training cost for all department employees - \$2.0k per EE through FY '16, \$1.5k thereafter to establish a continuous training program
13. Materials and Supplies	-	
14. Utilities	-	
15. Purchased services	-	
16. Risk management / insurance	-	
17. Contributions to non EP funds	-	
18. Transfers In / Out (General Fund)	-	
19. Grant related expenses	-	
20. Maintenance	-	
21. All Other	-	
22. <b>Total Operating Expenditures</b>	0.4	
23. <b>Total Operating Surplus (Deficit)</b>	0.4	
<b>Reorganization / Investment</b>		
24. Technology Infrastructure	(0.0)	Investment in Ballot counting technology solution
25. Capital Expenditures	(3.3)	Deferred maintenance / improvements (\$2.0MM), window replacement (\$0.7MM), elevator improvements (\$0.5MM) and roof replacement (\$0.1MM)
26. Other Infrastructure	-	
27. Reorganization Costs	-	
28. <b>Total Reorganization / Investment</b>	(3.3)	
29. <b>Total Surplus (Deficit)</b>	\$ (2.9)	
30. <b>Incremental Headcount (FTE)</b>	-	

# City of Detroit

## Ten-Year Plan of Adjustment

### Restructuring and Reinvestment Initiatives - Legislative Agencies

#### Ombudsperson

(\$ in millions)

For the Fiscal Year Ended												10-Year			
2014201520162017201820192020202120222023												Total			
Revenues															
1.	Collections	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2.	a. Increased Collection Rate		-		-		-		-		-		-		-
3.	b. Collection of Past Due		-		-		-		-		-		-		-
4.	Pricing / Fees		-		-		-		-		-		-		-
5.	Grant Revenue		-		-		-		-		-		-		-
6.	Other		-		-		-		-		-		-		-
7.	Total Revenues		-		-		-		-		-		-		-
Expenditures															
8.	Permanent Labor		-		(0.4)		(0.6)		(0.7)		(0.7)		(0.7)		(6.0)
9.	Professional & Contract Services		-		-		-		-		-		-		-
10.	Labor Costs / Service Contracts		-		(0.4)		(0.6)		(0.7)		(0.7)		(0.7)		(6.0)
11.	Active Benefits		-		(0.2)		(0.3)		(0.3)		(0.3)		(0.3)		(2.7)
12.	Training		-		(0.0)		(0.1)		(0.0)		(0.0)		(0.0)		(0.3)
13.	Materials and Supplies		-		-		-		-		-		-		-
14.	Utilities		-		-		-		-		-		-		-
15.	Purchased services		-		-		-		-		-		-		-
16.	Risk management / insurance		-		-		-		-		-		-		-
17.	Contributions to non EP funds		-		-		-		-		-		-		-
18.	Transfers In / Out (General Fund)		-		-		-		-		-		-		-
19.	Grant related expenses		-		-		-		-		-		-		-
20.	Maintenance		-		-		-		-		-		-		-
21.	All Other		-		-		-		-		-		-		-
22.	Total Operating Expenditures		-		(0.6)		(1.0)		(1.0)		(1.0)		(1.1)		(9.0)
23.	Total Operating Surplus (Deficit)		-		(0.6)		(1.0)		(1.0)		(1.0)		(1.1)		(9.0)
Reorganization / Investment															
24.	Technology Infrastructure		-		(3.0)		(0.5)		(0.5)		(0.6)		(0.6)		(7.6)
25.	Capital Expenditures		-		-		-		-		-		-		-
26.	Other Infrastructure		-		-		-		-		-		-		-
27.	Reorganization Costs		-		-		-		-		-		-		-
28.	Total Reorganization / Investment		-		(3.0)		(0.5)		(0.5)		(0.6)		(0.6)		(7.6)
29.	Total Surplus (Deficit)	\$	-	\$	(3.6)	\$	(1.5)	\$	(1.5)	\$	(1.6)	\$	(1.6)	\$	(16.6)
30.	Incremental Headcount (FTE)		-		13		20		20		20		20		20

## City of Detroit

### Ten-Year Plan of Adjustment

#### Restructuring and Reinvestment Initiatives - Legislative Agencies

##### Ombudsperson

(\$ in millions)

	10-Year Total	Assumptions / Comments
<b>Revenues</b>		
1. Collections	\$ -	
2. a. Increased Collection Rate	-	
3. b. Collection of Past Due	-	
4. Pricing / Fees	-	
5. Grant Revenue	-	
6. Other	-	
7. <b>Total Revenues</b>	-	
<b>Expenditures</b>		
8. Permanent Labor	(6.0)	Additional headcount for implementation of 311 system
9. Professional & Contract Services	-	
10. Labor Costs / Service Contracts	(6.0)	
11. Active Benefits	(2.7)	Benefits at 45.0% of Permanent Labor costs
12. Training	(0.3)	Training cost for all department employees - \$2.0k per employee through FY '16, \$1.5k thereafter to establish a continuous training program
13. Materials and Supplies	-	
14. Utilities	-	
15. Purchased services	-	
16. Risk management / insurance	-	
17. Contributions to non EP funds	-	
18. Transfers In / Out (General Fund)	-	
19. Grant related expenses	-	
20. Maintenance	-	
21. All Other	-	
22. <b>Total Operating Expenditures</b>	(9.0)	
23. <b>Total Operating Surplus (Deficit)</b>	(9.0)	
<b>Reorganization / Investment</b>		
24. Technology Infrastructure	(7.6)	Establishment of technology infrastructure for 311 system and estimated software implementation costs including estimated annual maintenance
25. Capital Expenditures	-	
26. Other Infrastructure	-	
27. Reorganization Costs	-	
28. <b>Total Reorganization / Investment</b>	(7.6)	
29. <b>Total Surplus (Deficit)</b>	\$ (16.6)	
30. <b>Incremental Headcount (FTE)</b>	20	

**City of Detroit**  
Ten-Year Plan of Adjustment  
Other Agencies - Department Detail

**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Other Agencies**  
**Non-Departmental (36D Initiatives) - General fund**  
*(\$ in millions)*

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**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Other Agencies**  
**Non-Departmental (36D Initiatives) - General fund**  
*(\$ in millions)*

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**City of Detroit**  
Ten-Year Plan of Adjustment  
Enterprise Agencies - Department Detail



## (\$ in millions)

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## (\$ in millions)

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## (\$ in millions)

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## City of Detroit

### Ten-Year Plan of Adjustment

#### Restructuring and Reinvestment Initiatives - Enterprise Agencies

#### Building Safety Engineering Environmental Department (BSEED) - General Fund

(\$ in millions)

	10-Year Total	Assumptions / Comments
<b>Revenues</b>		
1. Collections	\$ -	
2. a. Increased Collection Rate	1.7	Increase to collection rate due to change in collections process and higher staffing levels
3. b. Collection of Past Due	-	
4. Pricing / Fees	-	
5. Grant Revenue	-	
6. Other	-	
7. <b>Total Revenues</b>	<b>1.7</b>	
<b>Expenditures</b>		
8. Permanent Labor	0.3	Increase due to additional business investigator
9. Professional & Contract Services	-	
10. Labor Costs / Service Contracts	0.3	
11. Active Benefits	0.1	Benefits at 45.0% of Permanent Labor costs
12. Training	(0.1)	
13. Materials and Supplies	-	
14. Utilities	-	
15. Purchased services	-	
16. Risk management / insurance	-	
17. Contributions to non EP funds	-	
18. Transfers In / Out (General Fund)	17.7	Pay-back of BSEED General Fund loan
19. Grant related expenses	-	
20. Maintenance	-	
21. All Other	0.5	Savings on rent through facility consolidation
22. <b>Total Operating Expenditures</b>	<b>18.4</b>	
23. <b>Total Operating Surplus (Deficit)</b>	<b>20.0</b>	
<b>Reorganization / Investment</b>		
24. Technology Infrastructure	-	
25. Capital Expenditures	(0.4)	Costs related to facility build-out to consolidate facilities and improve efficiencies
26. Other Infrastructure	-	
27. Reorganization Costs	-	
28. <b>Total Reorganization / Investment</b>	<b>(0.4)</b>	
29. <b>Total Surplus (Deficit)</b>	<b>\$ 19.7</b>	
30. <b>Incremental Headcount (FTE)</b>	<b>(1)</b>	

# City of Detroit

## Ten-Year Plan of Adjustment

### Restructuring and Reinvestment Initiatives - Enterprise Agencies

#### Detroit Department of Transportation (DDOT)

(\$ in millions)

For the Fiscal Year Ended												10-Year
												Total

**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Enterprise Agencies**  
**Detroit Department of Transportation (DDOT)**  
*(\$ in millions)*

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## (\$ in millions)

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**Ten-Year Plan of Adjustment**  
**Restructuring and Reinvestment Initiatives - Enterprise Agencies**  
**Municipal Parking Department (Parking) - General Fund - PVB**  
*(\$ in millions)*

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## Other - Detail

# City of Detroit

## Ten-Year Plan of Adjustment

### Restructuring and Reinvestment Initiatives - Other

#### Blight / Demolition

(\$ in millions)

For the Fiscal Year Ended												10-Year
												Total
												</

## City of Detroit

### Ten-Year Plan of Adjustment

#### Restructuring and Reinvestment Initiatives - Other

#### Blight / Demolition

(\$ in millions)

	10-Year Total	Assumptions / Comments
<b>Revenues</b>		
1. Collections	\$ -	
2. a. Increased Collection Rate	-	
3. b. Collection of Past Due	-	
4. Pricing / Fees	-	
5. Grant Revenue	52.3	Committed funding from Hardest Hit fund
6. Other	20.0	Current Fire escrow account balance
7. <b>Total Revenues</b>	<b>72.3</b>	
<b>Expenditures</b>		
8. Permanent Labor	-	
9. Professional & Contract Services	-	
10. Labor Costs / Service Contracts	-	
11. Active Benefits	-	
12. Training	-	
13. Materials and Supplies	-	
14. Utilities	-	
15. Purchased services	(420.0)	Estimated costs for residential blight removal efforts
16. Risk management / insurance	-	
17. Contributions to non EP funds	-	
18. Transfers In / Out (General Fund)	-	
19. Grant related expenses	(20.3)	Additional cost of demolition related to the committed funding from Hardest Hit fund
20. Maintenance	-	
21. All Other	-	
22. <b>Total Operating Expenditures</b>	<b>(440.3)</b>	
23. <b>Total Operating Surplus (Deficit)</b>	<b>(367.9)</b>	
<b>Reorganization / Investment</b>		
24. Technology Infrastructure	-	
25. Capital Expenditures	-	
26. Other Infrastructure	-	
27. Reorganization Costs	-	
28. <b>Total Reorganization / Investment</b>	<b>-</b>	
29. <b>Total Surplus (Deficit)</b>	<b>\$ (367.9)</b>	
30. <b>Incremental Headcount (FTE)</b>	<b>-</b>	

**EXHIBIT J**

**TEN-YEAR FINANCIAL PROJECTIONS**

City of Detroit  
Ten-Year Financial Projections

The attached 10 year preliminary forecast (the "10 Year Financial Projections"), its assumptions and underlying data are the product of the Client and its management ("Management") and consist of information obtained solely from the Client. With respect to prospective financial information relative to the Client, Ernst & Young LLP ("EY") did not examine, compile or apply agreed upon procedures to such information in accordance with attestation standards established by the AICPA and EY expresses no assurance of any kind on the information presented. It is the Client's responsibility to make its own decision based on the information available to it. Management has the knowledge, experience and ability to form its own conclusions related to the Client's 10 Year Financial Projections. There will usually be differences between forecasted and actual results because events and circumstances frequently do not occur as expected and those differences may be material. EY takes no responsibility for the achievement of forecasted results. Accordingly, reliance on this report is prohibited by any third party as the projected financial information contained herein is subject to material change and may not reflect actual results.

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## General Fund Summary

### Ten-Year Financial Projections

#### General Fund assumptions

Base projections represent trends from fiscal years 2012 and 2013 as well as certain operating assumptions within the 2014 Budget.

## Revenues (Exhibit 4)

Municipal income tax	Increases due to improved employment outlook and wage inflation. FY 2013 reflects the impact of one-time items including tax amnesty program and one-time benefit from increase in capital gains tax rate
State revenue sharing	Increases due to anticipation of higher taxes collected and distributed by the State. Reflects input from Michigan State Treasury
Wagering taxes	Decreases through FY 2015 due to competition from Ohio casinos and recovers thereafter due to improved economic outlook
Sales and charges for services	Decreases primarily due to transition of Health and Wellness department, including Vital Records operations, and Public Lighting department distribution business
Property taxes	Continued decline in taxes collected through FY 2020 as a result of ongoing reductions in assessed values driven by sales study and reassessment process, with modest increases beginning FY 2021
Utility users' and other taxes	Decreases beginning FY 2014 due to the annual allocation of \$12.5m to the Public Lighting Authority. Inflationary increases assumed beginning FY 2017
Parking/court fines and other revenue	Based on recent trends
Grant revenue	Decreases due to transition of Health and Wellness department and expiration of certain public safety grants
Licenses, permits and inspection charges	Based on recent trends. FY 2013 includes one-time permit and inspection revenues from utility providers
Revenue from use of assets	FY 2013 includes proceeds from the sale of assets. FY 2014 includes proceeds from sale of Veteran's Memorial building
Street fund reimbursement	Decreases beginning FY 2015 due to the assumed outsourcing of solid waste operations, which will no longer reimburse GSD for maintenance costs
DDOT risk mgmt reimbursement	Based on recent trends. Reimbursement not reflected in FY 2013 as General Fund made payments from refunding proceeds
Parking & vehicle fund reimbursement	Based on recent trends and scheduled debt service for vehicle fund through FY 2016 (revenues and associated expenses offset). FY 2012 includes \$16m one-time contribution from DDOT
UTGO property tax millage	Property tax millage for UTGO debt service. Projections assume the City is able to continue to collect UTGO property tax millage
POC allocation - governmental	Transfer from general city, non-General Fund for allocated POC debt service . Revenues and associated expenses offset
POC allocation - enterprise funds (excl. DDOT)	Transfer from enterprise funds for allocated POC debt service . Revenues and associated expenses offset

### Expenditures (Exhibit 4)

Operating expenditures

Salaries and wages	10% wage reduction assumed for uniform employees beginning FY 2014 for contracts expiring FY 2013. Headcount ramp-up begins FY 2015 to return to previously projected levels due to lower actual headcount in FY 2014. For all employees, 5% wage inflation assumed in FY 2015, 0% in FY 2016, 2.5% annually beginning FY 2017 and 2% annually beginning FY 2020
Overtime	Based on recent trends. Increases in FY 2014 due to higher Police overtime primarily resulting from elimination of 12 hour shifts
Health benefits - active	Average 5.6% inflation assumed annually for hospitalization cost. Reflects cost of healthcare plan designs being offered for 2014 enrollment
Other benefits	Based on recent trends, projected by specific other benefit/fringe. FY 2016 includes 2.5% of salary bonus payment to non-uniform and bonus payment to DPLSA (3%) and DPCOA (\$150k) between FY 2015/2016
Professional and contractual services	Decreases beginning FY 2014 primarily due to transition of Health and Wellness department. 1.0% cost inflation assumed beginning FY 2015
Materials & supplies	Decreases beginning FY 2015 due to transition of Public Lighting department distribution business. 1.0% cost inflation assumed beginning FY 2015
Utilities	Based on recent trends. 1.0% cost inflation assumed beginning FY 2015. Average cost inflation of 3.5% has been assumed for water/sewer rates beginning FY 2015
Purchased services	Increases beginning FY 2014 due to prisoner pre-arraignment function costs and FY 2015 due to payroll processing management. 1.0% cost inflation assumed beginning FY 2015
Risk management and insurance	1.0% cost inflation assumed beginning FY 2015
Maintenance capital	FY 2013 includes one-time capital outlays. 1.0% cost inflation assumed beginning FY 2015
Other expenses	Primarily includes printing, rental and other operating costs. 1.0% cost inflation assumed to certain costs beginning FY 2015
Contributions to non enterprise funds	Increases in FY 2015 and 2016 primarily due to scheduled vehicle fund debt service. Contributions to the Public Lighting Authority for operations begins FY 2015
DDOT subsidy	Increases primarily due to personnel and operating cost inflation. FY 2012 includes \$16m one-time contribution to General Fund. FY 2013 excludes risk management payment, made from refunding proceeds
Grant related expenses	Grant expenses captured within specific expense line items

### Legacy expenditures

Debt service (UTGO & LTGO)	Reflects scheduled principal and interest payments
POC - principal, interest and swaps	Reflects principal, interest and swap payments. No acceleration or refinancing assumed
Pension contributions	Per actuarial analysis performed by the City's actuaries
Health benefits - retiree	Average 4.9% inflation assumed annually for hospitalization cost. Reflects cost of current healthcare plan designs

Other (Exhibit 4)

Financing proceeds	FY 2013 includes \$137m refunding proceeds (\$129.5 bond issuance)
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Ten-Year Financial Projections  
General Fund assumptions

Operational restructuring initiatives / Reinvestment in the City (Exhibit 4)

Department revenue initiatives	Reflects increases to fees, improved billing and collection efforts and collections of past due receivables
Additional operating expenditures	Primarily reflects increases to headcount to improve and provide adequate level of City services. Costs are partially offset by potential savings
Technology	Reflects costs associated with information system upgrades and maintenance
Capital expenditures and other infrastructure	Primarily reflects City's capital improvement plan to invest in facilities and vehicles
Implementation costs	Primarily reflects non-recurring costs associated with implementing operational initiatives
Blight (excludes heavy commercial)	Reflects costs associated with demolition and clean up efforts of residential and light commercial (subject to change). Heavy commercial blight removal would require significant additional funding. Assumes all blight related expenditures are paid by the General Fund. Other funding sources may be available

Restructuring scenario (Exhibit 3)

Capital investment	Reflects technology, capital expenditures and implementation costs
Active pension contributions	Reflects contribution of 11.2% of salary assumed for public safety (excluding DPLSA), 12.25% assumed for DPLSA and 5.75% assumed for non-public safety
OPEB Payments - future retirees	Reflects contribution of 1% of salary assumed for future public safety retirees (excluding DPLSA), \$0.2m annually assumed for DPLSA and 2% assumed for non-public safety
POC reimbursements	Includes revenue received from enterprise and other non-General Fund agencies
PLD decommission	Preliminary estimates for 31 substations, excluding Mistersky
Increased tax revenues	Reflects potential revenue opportunities due to increased property values and employment conditions resulting from restructuring efforts
Contributions to income stabilization fund	Reflects excess UTGO collections to be contributed to an income stabilization fund to guarantee minimum levels of household income for retirees who meet certain eligibility criteria
Payments to secured claims	Based on the unaltered scheduled payments of secured debt and other notes payable (with the exception of POC swap payments)
QOL / exit financing proceeds (net)	Assumes QOL net financing proceeds of \$118m between FY 2014 and FY 2015. \$175m of net additional proceeds from exit financing in FY 2015
QOL / exit financing principal/interest payments	Exit financing assumes 8 year note funded 10/31/2014 with interest only payments in first 4 years and equal principal payments made in years 5 through 8
Working capital	Primarily relates to past due vendor payments and required funding of the self insurance escrow set-aside
Contingency	Reflects amounts reserved for unexpected events
Deferral	Reflects timing adjustment of reinvestment initiatives to manage liquidity

## (\$ in millions)

(\$ in millions)

*Footnotes:*  
(1) Historical accumulated deficits may not equate to previous balance plus annual surplus/deficit due to changes in inventories, reserves, and the restricted deficit.

## (\$ in millions)

	Preliminary forecast											10-year total
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
Total revenues	\$ 1,081.0	\$ 1,070.9	\$ 1,064.3	\$ 1,033.5	\$ 1,035.1	\$ 1,033.8	\$ 1,031.2	\$ 1,026.2	\$ 1,018.1	\$ 1,023.0	\$ 10,417.0	
Department revenue initiatives	7.2	72.0	48.3	53.0	56.2	45.8	46.2	46.1	50.6	51.8	477.2	
Operating expenditures	(671.1)	(712.7)	(721.2)	(712.8)	(729.1)	(741.0)	(753.1)	(765.2)	(782.4)	(794.9)	(7,383.6)	
Additional operating expenditures	(12.6)	(68.9)	(51.3)	(42.6)	(32.9)	(29.7)	(32.2)	(31.7)	(33.1)	(34.0)	(368.9)	
Net operating surplus	\$ 404.5	\$ 361.3	\$ 340.2	\$ 331.1	\$ 329.3	\$ 308.9	\$ 292.1	\$ 275.3	\$ 253.2	\$ 245.9	\$ 3,141.7	
<u>Reinvestment expenditures/adjustments</u>												
Capital investments	(31.2)	(152.1)	(91.0)	(61.7)	(52.4)	(49.3)	(45.5)	(44.4)	(41.8)	(40.0)	(609.4)	
Restructuring professional fees	(82.2)	(47.8)	-	-	-	-	-	-	-	-	(130.0)	
Blight (excludes heavy commercial)	(2.0)	(98.0)	(80.0)	(80.0)	(80.0)	(80.0)	-	-	-	-	(420.0)	
Active pension contributions	(17.0)	(31.4)	(32.0)	(32.9)	(33.7)	(34.5)	(35.2)	(35.9)	(36.6)	(37.4)	(326.7)	
OPEB payments - current retirees	(123.8)	(19.0)	-	-	-	-	-	-	-	-	(142.8)	
OPEB payments - future retirees	(3.9)	(4.1)	(4.2)	(4.3)	(4.4)	(4.5)	(4.5)	(4.6)	(4.7)	(4.8)	(43.9)	
POC reimbursements	(24.0)	(27.0)	(29.2)	(29.9)	(30.6)	(30.1)	(30.2)	(30.3)	(30.4)	(30.5)	(292.3)	
PLD decommission	-	(25.0)	(25.0)	(25.0)	-	-	-	-	-	-	(75.0)	
Increased income tax revenues	1.5	5.8	10.3	14.5	18.6	22.8	27.2	31.2	34.4	37.7	204.0	
Increased property tax revenues	-	0.2	6.6	8.0	8.2	11.4	17.2	20.1	23.1	26.3	121.1	
Increased utility users' tax revenues	-	-	0.4	0.6	0.8	0.8	0.8	0.8	0.8	0.8	5.6	
Contributions to income stabilization fund	-	(2.5)	(2.3)	(2.3)	(2.2)	(2.1)	(2.1)	(2.0)	(1.3)	(1.1)	(17.8)	
Total restructuring	(282.5)	(400.8)	(246.3)	(212.9)	(175.8)	(165.5)	(72.3)	(65.2)	(56.6)	(49.1)	(1,727.3)	
Funds available for legacy liabilities	121.9	(39.5)	93.9	118.1	153.5	143.4	219.8	210.1	196.5	196.7	1,414.4	
<u>Payments to secured claims (Subject to further review/negotiation)</u>												
LTGO - secured	(25.9)	(29.5)	(29.5)	(29.5)	(29.5)	(29.5)	(29.6)	(29.6)	(29.6)	(29.6)	(291.7)	
UTGO - secured	(9.6)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(9.9)	(10.0)	(98.8)	
POC swaps (1)	(45.9)	(15.7)	-	-	-	-	-	-	-	-	(61.6)	
POC swaps settlement (1)	-	(42.1)	-	-	-	-	-	-	-	-	(42.1)	
Notes/loans payable	-	-	-	-	-	-	-	-	-	-	-	
Total payments to secured claims	(81.3)	(97.2)	(39.4)	(39.4)	(39.4)	(39.4)	(39.5)	(39.5)	(39.5)	(39.6)	(494.2)	
Funds available for unsecured claims	\$ 40.6	\$ (136.7)	\$ 54.5	\$ 78.7	\$ 114.1	\$ 104.0	\$ 180.3	\$ 170.6	\$ 157.0	\$ 157.2	\$ 920.2	
<u>Adjustments to funds available for unsecured claims</u>												
QOL / exit financing proceeds (net)	\$ 52.5	\$ 240.2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 292.7	
QOL / exit financing principal/interest payments	(1.3)	(14.6)	(18.0)	(18.0)	(18.0)	(68.0)	(90.0)	(85.5)	(81.0)	(26.5)	(420.9)	
Total QOL financing impact	51.2	225.6	(18.0)	(18.0)	(18.0)	(68.0)	(90.0)	(85.5)	(81.0)	(26.5)	(128.3)	
Working capital	(39.8)	15.0	-	-	-	-	-	-	-	-	(24.8)	
Contingency	-	(13.6)	(11.0)	(10.8)	(10.9)	(10.8)	(10.9)	(10.9)	(11.0)	(11.1)	(101.1)	
Reinvestment deferrals / timing adjustments	-	-	62.5	38.0	1.7	59.4	(15.4)	(10.9)	(16.0)	(74.2)	45.2	
Total adjustments to funds available	11.4	227.0	33.5	9.3	(27.2)	(19.4)	(116.3)	(107.3)	(108.0)	(111.8)	(208.9)	
Adjusted funds available for unsecured claims	\$ 51.9	\$ 90.3	\$ 88.0	\$ 87.9	\$ 86.9	\$ 84.5	\$ 64.0	\$ 63.3	\$ 49.1	\$ 45.4	\$ 711.3	

(1) Reflects an \$85m settlement. POC swap payments made in full through October 2014, at which time the remainder of the settlement amount is paid.

## Ten-Year Financial Projections

## General Fund detail view

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										10-year	
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	total
Revenues																	
Municipal income tax	\$ 276.5	\$ 240.8	\$ 216.5	\$ 228.3	\$ 233.0	\$ 248.0	\$ 246.4	\$ 250.4	\$ 252.1	\$ 253.8	\$ 255.5	\$ 257.1	\$ 258.7	\$ 260.9	\$ 264.1	\$ 267.3	\$ 2,566.3
State revenue sharing	249.6	266.6	263.6	239.3	173.3	183.8	191.5	192.9	194.5	196.1	197.8	199.6	201.4	194.9	196.6	198.3	1,963.9
Wagering taxes	180.4	173.0	183.3	176.9	181.4	174.6	169.9	168.2	169.9	171.6	173.3	175.0	176.8	178.5	180.3	182.1	1,745.7
Sales and charges for services	193.3	167.4	154.1	154.9	149.2	123.8	131.5	118.0	115.8	113.7	111.5	109.3	107.1	104.5	103.4	104.1	1,118.9
Property taxes	155.2	163.7	143.0	182.7	147.8	133.6	114.9	104.2	100.1	97.2	97.1	95.2	89.6	89.5	90.1	90.7	968.6
Utility users' and other taxes	73.0	71.5	64.8	64.8	57.1	47.2	29.7	34.1	34.1	34.5	34.9	35.2	35.6	36.0	36.4	36.8	347.2
Parking/court fines and other revenue	57.6	38.6	43.0	63.8	31.5	31.4	29.2	29.2	29.2	29.2	29.2	29.2	29.2	29.2	29.2	29.2	291.9
Grant revenue	63.5	65.1	77.6	76.0	80.6	58.2	27.9	27.1	25.7	14.2	14.5	14.8	15.0	15.3	15.5	15.8	185.8
Licenses, permits and inspection charges	9.0	6.7	8.7	8.6	7.4	10.7	9.0	9.1	9.1	9.1	9.2	9.2	9.3	9.3	9.3	9.4	92.0
Revenue from use of assets	22.8	28.1	4.9	4.1	2.1	11.5	10.6	5.2	5.2	5.2	3.6	3.6	3.6	3.6	3.6	3.6	47.6
General Fund reimbursements from:																	
Street fund	14.0	12.4	19.3	9.0	9.0	9.3	9.3	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	46.8
DDOT (risk mgmt)	10.8	12.9	10.0	12.1	12.1	1.6	9.9	12.1	12.1	12.1	12.1	12.1	12.1	12.1	12.1	12.1	118.8
Parking & vehicle fund	12.1	33.9	18.4	11.2	26.4	12.9	7.3	25.4	25.5	5.1	5.1	5.1	5.1	5.1	5.1	5.1	94.0
Transfers in for:																	
UTGO property tax millage	67.2	71.5	72.4	72.8	73.0	70.6	66.5	62.6	57.7	57.6	56.5	54.1	53.4	52.7	37.7	33.9	532.8
POC allocation - other governmental	8.7	9.1	9.8	10.7	11.4	11.4	15.2	15.6	16.4	16.8	17.2	16.9	17.0	17.1	17.1	17.2	166.5
POC allocation - enterprise funds (excl. DDOT)	8.2	8.6	9.3	10.1	10.8	11.5	12.2	12.5	12.8	13.1	13.4	13.2	13.2	13.3	13.3	13.3	130.4
Total revenues	1,401.7	1,369.9	1,298.7	1,325.3	1,206.4	1,140.0	1,081.0	1,070.9	1,064.3	1,033.5	1,035.1	1,033.8	1,031.2	1,026.2	1,018.1	1,023.0	10,417.0
Expenditures																	
Salaries and wages - Public Safety	(269.2)	(279.3)	(269.7)	(278.4)	(259.0)	(222.1)	(205.4)	(222.1)	(228.8)	(235.2)	(241.1)	(247.1)	(252.1)	(257.1)	(262.3)	(267.5)	(2,418.7)
Salaries and wages - Non-Public Safety	(146.9)	(149.6)	(131.1)	(105.3)	(101.5)	(75.5)	(69.8)	(71.9)	(69.8)	(71.3)	(72.9)	(74.7)	(76.2)	(77.7)	(79.1)	(80.6)	(744.1)
Overtime - Public Safety	(35.2)	(41.9)	(36.4)	(38.4)	(41.0)	(23.2)	(26.5)	(26.8)	(26.3)	(27.0)	(27.7)	(28.4)	(29.0)	(29.6)	(30.1)	(30.7)	(282.2)
Overtime - Non-Public Safety	(10.4)	(9.5)	(7.2)	(7.4)	(7.9)	(6.5)	(5.4)	(4.1)	(4.0)	(4.0)	(4.1)	(4.2)	(4.3)	(4.4)	(4.5)	(4.6)	(43.5)
Health benefits - active- Public Safety	(23.0)	(25.0)	(42.9)	(39.6)	(36.0)	(28.9)	(35.8)	(35.0)	(38.5)	(41.4)	(44.4)	(47.1)	(49.0)	(50.9)	(53.0)	(55.1)	(450.1)
Health benefits - active - Non-Public Safety	(35.9)	(32.7)	(31.3)	(28.8)	(23.0)	(19.0)	(13.5)	(13.0)	(13.6)	(14.5)	(15.6)	(16.5)	(17.2)	(17.8)	(18.5)	(19.3)	(159.4)
Other benefits - Public Safety	(27.6)	(18.8)	(16.4)	(18.6)	(17.0)	(18.6)	(13.4)	(15.3)	(15.2)	(15.2)	(15.6)	(16.0)	(16.3)	(16.6)	(17.0)	(17.3)	(157.9)
Other benefits - Non-Public Safety	(22.7)	(15.5)	(13.5)	(15.3)	(14.0)	(15.3)	(10.6)	(10.9)	(12.3)	(10.8)	(11.0)	(11.3)	(11.5)	(11.7)	(11.9)	(12.2)	(114.0)
Professional and contractual services	(115.1)	(124.9)	(113.1)	(98.1)	(97.9)	(76.3)	(53.5)	(63.6)	(60.1)	(57.1)	(57.8)	(54.0)	(53.1)	(52.2)	(55.1)	(52.3)	(558.9)
Materials & supplies	(88.1)	(72.4)	(61.4)	(69.1)	(64.0)	(63.2)	(66.0)	(34.8)	(34.8)	(35.0)	(34.7)	(34.1)	(33.7)	(33.3)	(33.3)	(33.6)	(373.4)
Utilities	(35.6)	(38.7)	(27.9)	(30.1)	(27.1)	(21.4)	(28.1)	(28.7)	(28.8)	(28.6)	(28.8)	(29.1)	(29.3)	(29.6)	(30.0)	(30.6)	(291.6)
Purchased services	(15.3)	(14.7)	(11.8)	(8.8)	(8.1)	(5.5)	(18.4)	(24.3)	(24.3)	(24.8)	(24.6)	(24.3)	(24.2)	(24.0)	(24.0)	(24.2)	(237.1)
Risk management and insurance	(63.2)	(51.7)	(54.4)	(63.6)	(40.1)	(43.5)	(35.8)	(43.7)	(44.1)	(44.6)	(45.0)	(45.5)	(45.9)	(46.4)	(46.8)	(47.3)	(445.1)
Maintenance capital	(43.1)	(22.6)	(9.2)	(12.3)	(12.6)	(14.0)	(5.9)	(6.0)	(6.1)	(6.1)	(6.2)	(6.2)	(6.3)	(6.4)	(6.4)	(6.5)	(62.0)
Other expenses	(43.9)	(33.1)	(48.5)	(6.5)	(28.7)	(37.6)	(34.9)	(39.7)	(36.4)	(35.8)	(35.2)	(35.2)	(35.3)	(35.3)	(35.4)	(35.5)	(358.7)
Contributions to non enterprise funds	(55.0)	(41.7)	(37.0)	(18.2)	(19.8)	(18.4)	(11.4)	(34.4)	(37.5)	(18.1)	(18.4)	(18.7)	(18.9)	(19.3)	(19.6)	(19.9)	(216.1)
DDOT subsidy	(92.8)	(55.2)	(57.7)	(50.3)	(61.7)	(25.0)	(36.8)	(38.4)	(40.6)	(43.2)	(45.9)	(48.6)	(50.8)	(53.1)	(55.4)	(57.8)	(470.7)
Grant related expenses (operating)	(2.3)	(2.8)	(1.4)	(2.5)	(1.4)	(0.4)	-	-	-	-	-	-	-	-	-	-	-
Operating expenditures	(1,125.3)	(1,030.1)	(970.7)	(891.2)	(860.8)	(714.3)	(671.1)	(712.7)	(721.2)	(712.8)	(729.1)	(741.0)	(753.1)	(765.2)	(782.4)	(794.9)	(7,383.6)
Net operating surplus	276.4	339.8	328.0	434.1	345.6	425.6	409.9	358.1	343.2	320.7	306.0	292.8	278.1	260.9	235.7	228.1	3,033.4
Debt service (LTGO)	(66.6)	(105.9)	(63.2)	(64.2)	(62.3)	(71.4)	(77.8)	(59.2)	(59.2)	(38.9)	(38.8)	(38.8)	(38.9)	(39.3)	(37.6)	(37.5)	(466.0)
Debt service (LTGO - DDOT)	-	(0.3)	(0.3)	(0.3)	(0.3)	(1.1)	(0.3)	(2.9)	(2.9)	-	-	-	-	-	-	-	(6.1)
Debt service (UTGO)	(67.2)	(71.5)	(72.4)	(72.8)	(73.0)	(70.6)	(66.5)	(62.6)	(57.7)	(57.6)	(56.5)	(54.1)	(53.4)	(52.7)	(37.7)	(33.9)	(532.8)
POC - principal and interest (Governmental)	(34.5)	(31.4)	(34.9)	(45.0)	(44.5)	(47.6)	(51.7)	(52.6)	(54.3)	(56.0)	(57.8)	(56.4)	(57.0)	(57.6)	(58.2)	(58.7)	(560.3)
POC - principal and interest (EF, excl. DDOT)	(5.2)	(5.2)	(5.8)	(6.7)	(7.4)	(8.1)	(8.8)	(9.1)	(9.4)	(9.7)	(10.0)	(9.7)	(9.9)	(10.0)	(10.1)	(10.1)	(96.7)
POC - principal and interest (DDOT)	(2.8)	(2.8)	(3.2)	(3.6)	(4.0)	(4.4)	(4.8)	(4.9)	(5.1)	(5.2)	(5.4)	(5.3)	(5.3)	(5.4)	(5.5)	(5.5)	(52.5)
POC - principal and interest (General Fund grant)	(0.3)	(0.3)	(0.3)	(0.3)	(0.4)	(1.1)	(1.3)	(2.3)	(2.3)	(2.4)	(2.5)	(2.4)	(2.5)	(2.5)	(2.5)	(2.5)	(23.2)
POC - swaps (Governmental)	(35.5)	(39.5)	(40.2)	(39.5)	(39.5)	(39.2)	(39.3)	(38.9)	(38.9)	(38.9)	(38.9)	(38.9)	(38.2)	(37.5)	(36.9)	(36.3)	(382.7)
POC - swaps (EF, excl. DDOT)	(3.0)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.4)	(3.3)	(3.3)	(3.2)	(33.7)
POC - swaps (DDOT)	(1.6)	(1.8)	(1.9)	(1.8)	(1.8)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.8)	(1.8)	(1.8)	(1.7)	(18.3)
POC - swaps (General Fund grant)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(1.4)	(1.3)	(1.7)	(1.7)	(1.7)	(1.7)	(1.7)	(1.6)	(1.6)	(1.6)	(1.6)	(16.1)
Pension contributions - Public Safety	(47.6)	(37.9)	(32.6)	(91.8)	(58.8)	(50.2)	(133.1)	(156.0)	(172.4)	(189.7)	(207.9)	(209.8)	(214.6)	(215.5)	(212.6)	(211.7)	(1,923.2)
Pension contributions - Non-Public Safety	(10.7)	(11.5)	(1.7)	(9.4)	(7.6)	(4.0)	(32.8)	(36.5)	(40.4)	(45.0)	(50.0)	(52.4)	(55.0)	(57.4)	(60.0)	(62.2)	(491.5)
Pension contributions - DDOT	(6.8)	(7.3)	(6.9)	(9.5)	(10.9)	(2.8)	(23.6)	(27.7)	(31.2)	(34.8)	(38.7)	(40.6)	(42.7)	(44.5)	(46.6)	(48.3)	(378.8)
Pension contributions - General Fund grant	(1.0)	(0.7)	(0.9)	(1.7)	(1.0)	(2.4)	(6.4)	(9.4)	(10.4)	(11.4)	(12.6)	(12.8)	(13.2)	(13.5)	(13.6)	(13.7)	(116.9)
Health benefits - retiree - Public Safety	(73.7)	(80.2)	(70.4)	(79.6)	(90.6)	(83.1)	(89.4)	(94.4)	(97.5)	(102.0)	(106.3)	(112.2)	(118.0)	(124.6)	(130.7)	(136.9)	(1,112.0)
Health benefits - retiree - Non-Public Safety	(47.4)	(51.6)	(50.6)	(49.0)	(49.2)	(51.5)	(36.4)	(38.3)	(39.6)	(41.4)	(43.2)	(45.6)	(47.9)	(50.6)	(53.1)	(55.6)	(451.8)
Health benefits - retiree - DDOT	-	(12.2)	(10.4)	(11.8)	(12.1)	(13.2)	(13.9)	(14.6)	(15.1)	(15.8)	(16.5)	(17.4)	(18.3)	(19.3)	(20.3)	(21.2)	(172.3)
Health benefits - retiree - General Fund grant	n/a	n/a	n/a	n/a	n/a	n/a	(4.2)	(5.6)	(5.8)	(6.0)	(6.3)	(6.6)	(7.0)	(7.4)	(7.7)	(8.1)	(64.6)
Legacy expenditures	(404.4)	(463.9)	(399.7)	(491.0)	(467.3)	(457.3)	(596.9)	(621.9)	(649.1)	(661.8)	(698.2)	(710.1)	(728.7)	(744.5)	(739.5)	(748.8)	(6,899.5)
Deficit (excl. financing proceeds)	(127.9)	(124.1)	(71.7)	(56.9)	(121.8)	(31.7)	(187.0)	(263.7)	(305.9)	(341.1)	(392.3)	(417.4)	(450.6)	(483.5)	(503.8)	(520.8)	(3,866.1)
Financing proceeds	75.0	-	250.0	-	-	143.5	-	-	-	-	-	-	-	-	-	-	-
Total surplus (deficit)	\$ (52.9)	\$ (124.1)	\$ 178.3	\$ (56.9)	\$ (121.8)	\$ 111.9	\$ (187.0)	\$ (263.7)	\$ (305.9)	\$ (341.1)	\$ (392.3)	\$ (417.4)	\$ (450.6)	\$ (483.5)	\$ (503.8)	\$ (520.8)	\$ (3,866.1)

## Ten-Year Financial Projections

## General Fund detail view

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast											10-year
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	total
Reinvestment in the City																	
Department revenue initiatives																	
Fire	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.0	\$ 8.1	\$ 6.6	\$ 18.3	\$ 19.0	\$ 6.7	\$ 6.6	\$ 6.6	\$ 6.6	\$ 6.6	\$ 87.0
Non-Departmental (36D Initiatives)	-	-	-	-	-	-	-	5.8	8.2	8.5	8.7	9.0	9.2	9.5	9.8	10.1	78.8
Blight	-	-	-	-	-	-	3.0	44.3	13.0	4.0	4.0	4.0	-	-	-	-	72.3
Municipal Parking	-	-	-	-	-	-	-	5.6	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	60.3
DDOT - Transportation	-	-	-	-	-	-	(1.7)	(5.7)	(1.5)	(0.1)	4.6	6.3	10.4	10.0	14.1	15.0	51.4
Police	-	-	-	-	-	-	-	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	32.6
General Services	-	-	-	-	-	-	1.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	20.3
Other	-	-	-	-	-	-	2.9	8.1	9.4	9.7	7.3	7.3	7.4	7.4	7.5	7.5	74.4
Sub-total: Revenues initiatives	-	-	-	-	-	-	7.2	72.0	48.3	53.0	56.2	45.8	46.2	46.1	50.6	51.8	477.2
Additional operating expenditures																	
General Services	-	-	-	-	-	-	(2.1)	(8.5)	(13.5)	(13.6)	(13.8)	(14.0)	(14.1)	(14.2)	(14.4)	(14.5)	(122.7)
Police	-	-	-	-	-	-	(2.2)	(14.4)	(17.9)	(10.9)	(9.4)	(8.8)	(8.9)	(8.9)	(8.7)	(9.1)	(99.3)
Finance/Budget	-	-	-	-	-	-	(1.1)	(5.8)	(3.8)	(3.8)	(1.3)	(1.8)	(2.2)	(2.7)	(3.1)	(3.6)	(29.1)
Other	-	-	-	-	-	-	(7.2)	(40.2)	(16.2)	(14.3)	(8.3)	(5.2)	(7.0)	(5.9)	(6.9)	(6.8)	(117.8)
Sub-total: Add. operating exp.	-	-	-	-	-	-	(12.6)	(68.9)	(51.3)	(42.6)	(32.9)	(29.7)	(32.2)	(31.7)	(33.1)	(34.0)	(368.9)
Capital investments																	
Technology	-	-	-	-	-	-	(3.1)	(54.4)	(29.2)	(12.2)	(10.1)	(9.9)	(8.2)	(8.8)	(8.8)	(7.5)	(152.3)
Capital expenditures and other infrastructure	-	-	-	-	-	-	(24.9)	(79.5)	(55.4)	(48.6)	(41.0)	(38.4)	(34.6)	(33.6)	(31.8)	(31.5)	(419.4)
Implementation costs	-	-	-	-	-	(0.0)	(3.2)	(18.2)	(6.3)	(0.9)	(1.2)	(1.0)	(2.7)	(2.0)	(1.2)	(1.0)	(37.7)
Sub-total: Capital investments	-	-	-	-	-	(0.0)	(31.2)	(152.1)	(91.0)	(61.7)	(52.4)	(49.3)	(45.5)	(44.4)	(41.8)	(40.0)	(609.4)
Blight (excludes heavy commercial)	-	-	-	-	-	-	(2.0)	(98.0)	(80.0)	(80.0)	(80.0)	(80.0)	-	-	-	-	(420.0)
Total reinvestment in the City	-	-	-	-	-	(0.0)	(38.7)	(246.9)	(173.9)	(131.3)	(109.0)	(113.2)	(31.5)	(30.0)	(24.4)	(22.2)	(921.1)
Adjusted surplus (deficit)	\$ (52.9)	\$ (124.1)	\$ 178.3	\$ (56.9)	\$ (121.8)	\$ 111.8	\$ (225.6)	\$ (510.7)	\$ (479.9)	\$ (472.4)	\$ (501.3)	\$ (530.5)	\$ (482.1)	\$ (513.5)	\$ (528.1)	\$ (543.0)	\$ (4,787.2)

## Appendix A

### General Fund Department detail

Note: Civic Center, Former Cost Center, and DWDD have been excluded from the presentation as they do not contribute to the forecast and have minimal impact in historical years

Ten-Year Financial Projections

Budget - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	-	-	0.0	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	-
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	0.0	-	0.0	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	-
Expenditures																
Salaries and wages	(1.4)	(1.4)	(1.2)	(1.1)	(1.1)	(0.9)	(1.0)	(1.0)	(1.0)	(1.1)	(1.1)	(1.1)	(1.2)	(1.2)	(1.2)	(1.2)
Overtime	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Pension	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.6)	(0.8)	(0.9)	(1.0)	(1.1)	(1.1)	(1.2)	(1.2)	(1.3)	(1.4)
Medical & fringe benefits	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.7)	(0.8)	(0.8)	(0.9)	(0.9)	(1.0)	(1.0)	(1.0)	(1.1)	(1.1)	(1.2)
Professional and contractual services	-	(0.0)	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Materials & supplies	(0.1)	(0.2)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Utilities	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Purchased services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(0.2)	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Debt service	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest (1)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	(2.6)	(2.6)	(2.4)	(2.3)	(2.4)	(2.2)	(3.1)	(3.4)	(3.5)	(3.7)	(3.9)	(4.0)	(4.1)	(4.3)	(4.4)	(4.5)
Total surplus (deficit)	\$ (2.6)	\$ (2.6)	\$ (2.4)	\$ (2.3)	\$ (2.4)	\$ (2.2)	\$ (3.1)	\$ (3.4)	\$ (3.5)	\$ (3.7)	\$ (3.9)	\$ (4.0)	\$ (4.1)	\$ (4.3)	\$ (4.4)	\$ (4.5)
Operational restructuring																
Department revenue initiatives						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenses																
Additional operating expenditures						-	-	-	-	-	-	-	-	-	-	-
Technology						-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure						-	-	-	-	-	-	-	-	-	-	-
Implementation costs						-	-	-	-	-	-	-	-	-	-	-
Subtotal: Expenses						-	-	-	-	-	-	-	-	-	-	-
Operational restructuring						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted surplus (deficit)						\$ (2.2)	\$ (3.1)	\$ (3.4)	\$ (3.5)	\$ (3.7)	\$ (3.9)	\$ (4.0)	\$ (4.1)	\$ (4.3)	\$ (4.4)	\$ (4.5)

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	22	23	20	16	15	16	16	16	16	16	16	16	16	16	16	16
Average salary & wages (1)	\$ 62,323	\$ 62,796	\$ 62,338	\$ 71,811	\$ 73,322	\$ 57,557	\$ 64,173	\$ 67,381	\$ 67,381	\$ 69,066	\$ 70,792	\$ 72,562	\$ 74,013	\$ 75,494	\$ 77,003	\$ 78,544
Average overtime	864	891	925	1,177	1,022	1,583	1,765	1,853	1,853	1,899	1,947	1,995	2,035	2,076	2,117	2,160
	\$ 63,187	\$ 63,687	\$ 63,263	\$ 72,988	\$ 74,344	\$ 59,140	\$ 65,937	\$ 69,234	\$ 69,234	\$ 70,965	\$ 72,739	\$ 74,557	\$ 76,049	\$ 77,570	\$ 79,121	\$ 80,703
Overtime as a % of salary & wages	1.4%	1.4%	1.5%	1.6%	1.4%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
Pension as a % of salary & wages						9.5%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%
Medical & fringe as a % of salary & wage	44.4%	40.8%	46.3%	50.6%	55.5%	76.8%	81.3%	80.7%	83.3%	84.9%	86.5%	88.7%	90.8%	93.2%	95.2%	97.2%

Key Items	Comment/Reference
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Other expenses	Primarily building rental expense

Operational restructuring																
Additional Department employees						n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

(1) Based on department salaries & wages and employees, see Appendix C.2.



## Ten-Year Financial Projections

## DPW - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	4.3	2.4	5.1	2.7	3.5	5.6	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	2.8	2.9	1.8	0.1	(0.4)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Revenue from use of assets	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	0.7	1.3	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	0.0	1.0	0.4	0.0	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	0.2	0.6	0.1	0.3	0.0	0.3	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>8.1</b>	<b>8.3</b>	<b>7.6</b>	<b>3.1</b>	<b>3.1</b>	<b>6.0</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>
<b>Expenditures</b>																
Salaries and wages	(7.6)	(7.5)	(3.6)	(2.3)	(1.8)	(0.9)	(0.7)	(0.8)	(0.8)	(0.8)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)
Overtime	(0.3)	(0.2)	(0.1)	(0.0)	(0.1)	(0.1)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Pension	(1.2)	(1.0)	(0.5)	(0.1)	(0.1)	(0.1)	(0.4)	(0.6)	(0.7)	(0.8)	(0.8)	(0.9)	(0.9)	(1.0)	(1.0)	(1.0)
Medical & fringe benefits	(4.0)	(3.8)	(2.0)	(1.3)	(1.3)	(0.4)	(1.0)	(1.2)	(1.2)	(1.3)	(1.3)	(1.4)	(1.4)	(1.5)	(1.6)	(1.6)
Professional and contractual services	(0.8)	(0.8)	(0.5)	(0.3)	(0.2)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Materials & supplies	0.0	(0.1)	(0.0)	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utilities	(2.3)	(1.0)	(0.2)	(0.3)	(0.0)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Purchased services	(0.1)	(0.1)	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(1.0)	(1.0)	(0.6)	(0.6)	(0.3)	(0.6)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Debt service	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.4)	(0.4)	(0.5)	(0.5)	(0.5)	(0.4)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(17.8)</b>	<b>(15.9)</b>	<b>(7.9)</b>	<b>(5.4)</b>	<b>(4.4)</b>	<b>(2.6)</b>	<b>(3.0)</b>	<b>(3.5)</b>	<b>(3.7)</b>	<b>(3.8)</b>	<b>(4.0)</b>	<b>(4.1)</b>	<b>(4.3)</b>	<b>(4.4)</b>	<b>(4.6)</b>	<b>(4.7)</b>
<b>Total surplus (deficit)</b>	<b>\$ (9.7)</b>	<b>\$ (7.6)</b>	<b>\$ (0.3)</b>	<b>\$ (2.3)</b>	<b>\$ (1.3)</b>	<b>\$ 3.4</b>	<b>\$ 0.7</b>	<b>\$ 0.2</b>	<b>\$ 0.0</b>	<b>\$ (0.1)</b>	<b>\$ (0.3)</b>	<b>\$ (0.4)</b>	<b>\$ (0.6)</b>	<b>\$ (0.7)</b>	<b>\$ (0.8)</b>	<b>\$ (1.0)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>																
Additional operating expenditures	-	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>-</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ 3.4</b>	<b>\$ 0.7</b>	<b>\$ 0.2</b>	<b>\$ 0.0</b>	<b>\$ (0.2)</b>	<b>\$ (0.3)</b>	<b>\$ (0.5)</b>	<b>\$ (0.6)</b>	<b>\$ (0.7)</b>	<b>\$ (0.9)</b>	<b>\$ (1.0)</b>					

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	184	179	123	114	114	41	14	19	19	19	19	19	19	19	19	19
Average salary & wages(1)	\$ 30,107	\$ 30,392	\$ 35,862	\$ 30,300	\$ 32,448	\$ 31,439	\$ 33,550	\$ 35,112	\$ 35,112	\$ 35,990	\$ 36,890	\$ 37,812	\$ 38,568	\$ 39,339	\$ 40,126	\$ 40,929
Average overtime	1,609	1,151	523	383	828	1,505	3,346	3,039	3,039	3,115	3,193	3,273	3,338	3,405	3,473	3,542
	\$ 31,715	\$ 31,543	\$ 36,385	\$ 30,683	\$ 33,275	\$ 32,943	\$ 36,896	\$ 38,151	\$ 38,151	\$ 39,105	\$ 40,082	\$ 41,085	\$ 41,906	\$ 42,744	\$ 43,599	\$ 44,471
Overtime as a % of salary & wages	3.9%	2.8%	1.8%	1.9%	5.1%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%
Pension as a % of salary & wages						7.1%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%
Medical & fringe as a % of salary & wage	53.0%	50.8%	55.9%	55.7%	69.0%	47.9%	158.4%	142.6%	147.5%	150.6%	153.5%	157.8%	161.9%	166.6%	170.7%	174.7%

Key Items	Comment/Reference
Revenues	
Licenses, permits and inspection charges	Inspection charges and street-use permits. FY 2013 includes payment from utilities for permits to complete work over several years.
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
	Department moved positions between DPW general fund and DPW street fund in FY 2014 and FY 2015 to more accurately capture costs
Professional and contractual services	Contracted repair services
Other expenses	Building rental expenses
Operational restructuring	
Additional Department employees	-

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

## Finance - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	18.9	8.2	4.4	3.0	3.5	0.6	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Revenue from use of assets	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Parking/court fines and other revenue	0.1	0.6	1.3	0.7	(0.1)	0.0	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	3.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	4.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>23.6</b>	<b>12.4</b>	<b>5.8</b>	<b>3.7</b>	<b>3.3</b>	<b>0.6</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>
<b>Expenditures</b>																
Salaries and wages	(14.5)	(15.0)	(14.0)	(12.9)	(11.6)	(10.0)	(9.8)	(10.3)	(9.8)	(10.1)	(10.3)	(10.6)	(10.8)	(11.0)	(11.2)	(11.5)
Overtime	(1.2)	(1.0)	(0.7)	(0.8)	(0.8)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)
Pension	(0.5)	(0.3)	(0.4)	(0.7)	(0.9)	(1.1)	(6.2)	(7.4)	(8.2)	(9.1)	(10.2)	(10.7)	(11.2)	(11.7)	(12.3)	(12.7)
Medical & fringe benefits	(7.4)	(6.9)	(7.0)	(6.9)	(7.2)	(8.1)	(11.3)	(11.8)	(12.1)	(12.6)	(13.2)	(13.9)	(14.5)	(15.2)	(15.9)	(16.6)
Professional and contractual services	(2.9)	(8.2)	(5.1)	(6.9)	(5.2)	(3.6)	(3.6)	(3.6)	(3.6)	(3.7)	(3.7)	(3.7)	(3.8)	(3.8)	(3.9)	(3.9)
Materials & supplies	(0.4)	(0.3)	(0.3)	(0.3)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)
Utilities	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.0)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Purchased services	(0.1)	(0.1)	(0.2)	(0.1)	(0.0)	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Risk management and insurance	0.0	-	(0.1)	-	(0.3)	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(3.2)	(3.1)	(5.4)	(2.7)	(2.8)	(3.3)	(4.2)	(4.2)	(4.2)	(4.2)	(4.3)	(4.3)	(4.3)	(4.3)	(4.3)	(4.4)
Debt service	(0.0)	0.3	(0.0)	(0.1)	(0.0)	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(2.7)	(2.8)	(3.0)	(3.3)	(3.5)	(3.4)	(4.4)	(4.6)	(4.6)	(4.8)	(4.9)	(4.8)	(4.8)	(4.8)	(4.9)	(4.9)
Transfers out	-	(1.0)	(1.0)	(0.9)	(1.9)	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(33.1)</b>	<b>(38.6)</b>	<b>(37.5)</b>	<b>(35.8)</b>	<b>(34.7)</b>	<b>(30.7)</b>	<b>(40.8)</b>	<b>(43.3)</b>	<b>(43.9)</b>	<b>(45.8)</b>	<b>(47.9)</b>	<b>(49.3)</b>	<b>(50.8)</b>	<b>(52.4)</b>	<b>(53.9)</b>	<b>(55.4)</b>
<b>Total surplus (deficit)</b>	<b>\$ (9.6)</b>	<b>\$ (26.2)</b>	<b>\$ (31.6)</b>	<b>\$ (32.1)</b>	<b>\$ (31.4)</b>	<b>\$ (30.0)</b>	<b>\$ (40.6)</b>	<b>\$ (43.1)</b>	<b>\$ (43.6)</b>	<b>\$ (45.6)</b>	<b>\$ (47.7)</b>	<b>\$ (49.1)</b>	<b>\$ (50.6)</b>	<b>\$ (52.1)</b>	<b>\$ (53.7)</b>	<b>\$ (55.2)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.5	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.1	\$ 1.1	\$ 1.1	\$ 1.1	\$ 1.1
<b>Expenses</b>																
Additional operating expenditures	-	(1.1)	(5.8)	(3.8)	(3.8)	(1.3)	(1.8)	(2.2)	(2.7)	(3.1)	(3.6)	(4.2)	(4.7)	(5.3)	(5.9)	(6.5)
Technology	-	(1.7)	(34.6)	(17.3)	(8.8)	(6.7)	(6.6)	(4.2)	(5.3)	(5.5)	(4.2)	(5.3)	(5.9)	(6.5)	(7.1)	(7.7)
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	(2.4)	(7.9)	(3.7)	(0.5)	(0.9)	(0.6)	(1.4)	(0.6)	(0.9)	(0.6)	(1.4)	(0.6)	(0.9)	(0.6)	(0.9)
<b>Subtotal: Expenses</b>	<b>-</b>	<b>(5.2)</b>	<b>(48.2)</b>	<b>(24.8)</b>	<b>(13.1)</b>	<b>(8.8)</b>	<b>(9.1)</b>	<b>(7.8)</b>	<b>(8.6)</b>	<b>(9.5)</b>	<b>(8.4)</b>	<b>(9.5)</b>	<b>(10.3)</b>	<b>(11.2)</b>	<b>(12.1)</b>	<b>(13.0)</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ (5.2)</b>	<b>\$ (48.2)</b>	<b>\$ (24.3)</b>	<b>\$ (12.1)</b>	<b>\$ (7.8)</b>	<b>\$ (8.0)</b>	<b>\$ (6.7)</b>	<b>\$ (7.5)</b>	<b>\$ (8.4)</b>	<b>\$ (9.3)</b>	<b>\$ (10.3)</b>	<b>\$ (11.2)</b>	<b>\$ (12.1)</b>	<b>\$ (13.0)</b>	<b>\$ (13.9)</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (30.0)</b>	<b>\$ (45.8)</b>	<b>\$ (91.3)</b>	<b>\$ (67.9)</b>	<b>\$ (57.8)</b>	<b>\$ (55.5)</b>	<b>\$ (57.1)</b>	<b>\$ (57.3)</b>	<b>\$ (59.7)</b>	<b>\$ (62.1)</b>	<b>\$ (62.5)</b>	<b>\$ (62.5)</b>	<b>\$ (62.5)</b>	<b>\$ (62.5)</b>	<b>\$ (62.5)</b>	<b>\$ (62.5)</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Department employees (baseline)	327	310	285	266	235	228	216	216	206	206	206	206	206	206	206	206	
Average salary & wages(1)	\$ 44,290	\$ 48,404	\$ 49,213	\$ 48,545	\$ 49,479	\$ 44,131	\$ 45,415	\$ 47,685	\$ 47,685	\$ 48,878	\$ 50,099	\$ 51,352	\$ 52,379	\$ 53,427	\$ 54,495	\$ 55,585	
Average overtime	3,822	3,175	2,398	2,920	3,280	3,203	3,296	3,461	3,461	3,547	3,636	3,727	3,801	3,877	3,955	4,034	
	\$ 48,113	\$ 51,580	\$ 51,611	\$ 51,465	\$ 52,759	\$ 47,333	\$ 48,710	\$ 51,146	\$ 51,146	\$ 52,425	\$ 53,735	\$ 55,079	\$ 56,180	\$ 57,304	\$ 58,450	\$ 59,619	
Overtime as a % of salary & wages	8.6%	6.6%	4.9%	6.0%	6.6%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	7.3%	
Pension as a % of salary & wages						10.5%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%	
Medical & fringe as a % of salary & wage	50.9%	46.3%	50.1%	53.8%	62.1%	81.1%	115.7%	114.9%	122.9%	125.5%	127.8%	131.3%	134.6%	138.5%	141.7%	145.0%	

Key Items	Comment/Reference
Revenues	
Sales and charges for services	Pension system reimbursements, which are recorded in Non-Departmental beginning in FY 2013. The remainder represents interagency billings.
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3 Headcount reductions occur beginning in FY 2016 due to external payroll processing services provider.
Professional and contractual services	Other contracts for pension services, assessments, and general accounting
Other expenses	Primarily building rental expense and bank service charge
Operational restructuring	
Additional Department employees	- 42 120 121 121 112 112 112 112 112 112

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

## Fire - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	2.4	2.0	1.4	1.8	0.6	2.3	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	16.2	17.6	15.9	16.3	13.1	12.6	14.9	14.9	14.9	14.9	14.9	14.9	14.9	14.9	14.9	14.9
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	0.1	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	0.1	0.1	0.0	0.4	0.2	13.6	13.7	11.7	11.2	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>18.8</b>	<b>19.8</b>	<b>17.4</b>	<b>18.6</b>	<b>14.0</b>	<b>28.8</b>	<b>31.4</b>	<b>29.5</b>	<b>29.0</b>	<b>17.8</b>	<b>17.8</b>	<b>17.8</b>	<b>17.8</b>	<b>17.8</b>	<b>17.8</b>	<b>17.8</b>
<b>Expenditures</b>																
Salaries and wages	(86.3)	(88.4)	(85.3)	(84.7)	(81.9)	(69.3)	(66.2)	(72.7)	(72.1)	(73.9)	(75.8)	(77.7)	(79.2)	(80.8)	(82.4)	(84.1)
Overtime	(7.5)	(10.1)	(11.5)	(12.7)	(15.1)	(4.9)	(5.6)	(4.4)	(4.3)	(4.4)	(4.5)	(4.7)	(4.8)	(4.8)	(4.9)	(5.0)
Pension	(16.7)	(6.9)	(9.2)	(26.4)	(17.3)	(17.0)	(44.8)	(53.3)	(56.7)	(62.2)	(68.1)	(68.7)	(70.3)	(70.6)	(69.7)	(69.4)
Medical & fringe benefits	(50.9)	(42.7)	(49.2)	(52.4)	(54.9)	(51.2)	(41.4)	(43.3)	(44.7)	(46.9)	(49.2)	(51.8)	(54.1)	(56.6)	(59.0)	(61.5)
Professional and contractual services	(3.0)	(2.9)	(2.6)	(3.0)	(2.9)	(2.9)	(2.9)	(2.9)	(2.9)	(3.0)	(3.0)	(3.0)	(3.0)	(3.1)	(3.1)	(3.1)
Materials & supplies	(1.9)	(1.8)	(1.6)	(1.9)	(1.8)	(1.9)	(1.9)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)
Utilities	(1.6)	(3.0)	(1.2)	(2.1)	(1.5)	(1.4)	(1.6)	(1.8)	(1.8)	(1.9)	(1.9)	(1.9)	(2.0)	(2.0)	(2.0)	(2.1)
Purchased services	(0.4)	(0.1)	0.0	0.0	(0.2)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Risk management and insurance	(1.4)	(1.6)	(2.2)	0.1	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Other expenses	(0.3)	(1.0)	(1.0)	(0.9)	(0.5)	(0.9)	(1.9)	(1.9)	(1.9)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)
Debt service	(0.0)	-	-	-	-	(0.5)	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(13.0)	(14.0)	(14.7)	(15.3)	(16.0)	(16.8)	(17.6)	(18.1)	(17.7)	(17.9)	(18.2)	(18.0)	(17.9)	(17.8)	(17.8)	(17.7)
Transfers out	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	(0.0)	0.0	-	(0.0)	(0.0)	(0.4)	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(183.1)</b>	<b>(172.4)</b>	<b>(178.6)</b>	<b>(199.3)</b>	<b>(192.1)</b>	<b>(167.2)</b>	<b>(184.0)</b>	<b>(200.5)</b>	<b>(204.3)</b>	<b>(214.2)</b>	<b>(224.7)</b>	<b>(229.8)</b>	<b>(235.3)</b>	<b>(239.8)</b>	<b>(243.0)</b>	<b>(247.0)</b>
<b>Total surplus (deficit)</b>	<b>\$ (164.3)</b>	<b>\$ (152.6)</b>	<b>\$ (161.2)</b>	<b>\$ (180.7)</b>	<b>\$ (178.0)</b>	<b>\$ (138.4)</b>	<b>\$ (152.5)</b>	<b>\$ (171.0)</b>	<b>\$ (175.3)</b>	<b>\$ (196.4)</b>	<b>\$ (206.9)</b>	<b>\$ (212.0)</b>	<b>\$ (217.5)</b>	<b>\$ (222.1)</b>	<b>\$ (225.3)</b>	<b>\$ (229.2)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ 2.0	\$ 8.1	\$ 6.6	\$ 18.3	\$ 19.0	\$ 6.7	\$ 6.6	\$ 6.6	\$ 6.6	\$ 6.6	\$ 6.6	\$ 6.6	\$ 6.6	\$ 6.6	\$ 6.6
<b>Expenses</b>																
Additional operating expenditures	-	(3.0)	(11.9)	(6.3)	(7.9)	(0.9)	2.2	0.5	2.8	2.0	3.3					
Technology	-	-	(1.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.8)	(0.4)	(0.2)	(0.2)					
Capital expenditures and other infrastructure	-	(9.3)	(23.6)	(17.9)	(16.4)	(11.4)	(17.6)	(9.8)	(10.1)	(8.4)	(8.2)					
Implementation costs	-	(0.3)	-	-	-	-	-	-	-	-	-					
<b>Subtotal: Expenses</b>	<b>-</b>	<b>(12.5)</b>	<b>(36.8)</b>	<b>(24.4)</b>	<b>(24.5)</b>	<b>(12.5)</b>	<b>(15.6)</b>	<b>(10.1)</b>	<b>(7.6)</b>	<b>(6.6)</b>	<b>(5.1)</b>					
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ (10.6)</b>	<b>\$ (28.6)</b>	<b>\$ (17.8)</b>	<b>\$ (6.2)</b>	<b>\$ 6.5</b>	<b>\$ (8.9)</b>	<b>\$ (3.6)</b>	<b>\$ (1.1)</b>	<b>\$ (0.0)</b>	<b>\$ 1.5</b>					
<b>Adjusted surplus (deficit)</b>	<b>\$ (138.4)</b>	<b>\$ (163.1)</b>	<b>\$ (199.7)</b>	<b>\$ (193.1)</b>	<b>\$ (202.6)</b>	<b>\$ (200.4)</b>	<b>\$ (220.9)</b>	<b>\$ (221.1)</b>	<b>\$ (223.1)</b>	<b>\$ (225.3)</b>	<b>\$ (227.7)</b>					

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	1,444	1,406	1,355	1,330	1,257	1,189	1,183	1,238	1,228	1,228	1,228	1,228	1,228	1,228	1,228	1,228
Average salary & wages(1)	\$ 59,754	\$ 62,869	\$ 62,968	\$ 63,698	\$ 65,189	\$ 58,311	\$ 55,950	\$ 58,747	\$ 58,747	\$ 60,216	\$ 61,721	\$ 63,264	\$ 64,530	\$ 65,820	\$ 67,137	\$ 68,479
Average overtime	5,176	7,152	8,484	9,522	11,983	4,084	4,756	3,525	3,525	3,613	3,703	3,796	3,872	3,949	4,028	4,109
	\$ 64,930	\$ 70,022	\$ 71,452	\$ 73,220	\$ 77,172	\$ 62,395	\$ 60,705	\$ 62,272	\$ 62,272	\$ 63,829	\$ 65,425	\$ 67,060	\$ 68,401	\$ 69,769	\$ 71,165	\$ 72,588
Overtime as a % of salary & wages	8.7%	11.4%	13.5%	14.9%	18.4%	7.0%	8.5%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Pension as a % of salary & wages						24.6%	67.6%	73.3%	78.6%	84.1%	89.9%	88.5%	88.7%	87.4%	84.5%	82.5%
Medical & fringe as a % of salary & wage	59.0%	48.3%	57.7%	61.8%	66.9%	73.9%	62.5%	59.5%	62.0%	63.5%	64.9%	66.6%	68.2%	70.0%	71.6%	73.1%

Key Items	Comment/Reference
Revenues	
Licenses, permits and inspection charges	Fire marshal inspections; increases represent FY 2014 budgeted revenues
Sales and charges for services	Primarily EMS administration service charges, for which there is a fee increase assumed beginning FY 2014
Grant revenue	SAFER grant, which expires at the end of FY 2016
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Professional and contractual services	Other contracts - EMS administration and EMS Casino municipal service costs
Materials & supplies	Operating supplies and repairs & maintenance
Utilities	Primarily telecommunication, natural gas, and electricity
Other expenses	Primarily building rental expense and capital outlays
Operational restructuring	
Additional Department employees	- 161 97 84 182 193 165 153 135 129 117

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

## Health &amp; Wellness - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	1.6	1.5	1.4	1.3	0.7	0.2	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	10.1	11.1	7.9	5.8	8.7	2.8	1.0	-	-	-	-	-	-	-	-	-
Revenue from use of assets	0.2	0.1	0.2	0.1	0.1	0.1	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	1.3	1.3	1.1	0.1	0.0	0.0	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	0.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	54.5	52.0	64.3	53.4	57.3	28.3	1.6	1.7	1.8	1.9	2.0	2.1	2.1	2.2	2.2	2.3
<b>Total revenues</b>	<b>68.1</b>	<b>66.0</b>	<b>74.9</b>	<b>60.7</b>	<b>66.8</b>	<b>31.4</b>	<b>2.5</b>	<b>1.7</b>	<b>1.8</b>	<b>1.9</b>	<b>2.0</b>	<b>2.1</b>	<b>2.1</b>	<b>2.2</b>	<b>2.2</b>	<b>2.3</b>
<b>Expenditures</b>																
Salaries and wages	(13.4)	(13.3)	(11.6)	(9.7)	(7.9)	(2.4)	(0.9)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.8)	(0.8)	(0.8)	(0.8)
Overtime	(0.1)	(0.2)	(0.1)	0.1	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Pension	(2.0)	(1.8)	(1.9)	(2.3)	(1.3)	(0.2)	(0.5)	(0.5)	(0.6)	(0.6)	(0.7)	(0.8)	(0.8)	(0.8)	(0.9)	(0.9)
Medical & fringe benefits	(6.7)	(6.2)	(5.7)	(5.9)	(5.2)	(2.1)	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Professional and contractual services	(49.2)	(49.2)	(60.4)	(49.3)	(52.6)	(21.4)	-	-	-	-	-	-	-	-	-	-
Materials & supplies	(3.3)	(2.5)	(1.8)	(1.1)	(1.2)	(0.3)	(0.1)	-	-	-	-	-	-	-	-	-
Utilities	(2.0)	(2.5)	(1.4)	(2.0)	(1.4)	(1.3)	(0.7)	-	-	-	-	-	-	-	-	-
Purchased services	(1.7)	(2.0)	(1.2)	(0.2)	(0.9)	(0.4)	-	-	-	-	-	-	-	-	-	-
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(0.6)	(0.6)	(0.4)	(0.7)	(1.5)	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-
Debt service	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.7)	(0.7)	(0.8)	(0.9)	(0.9)	(0.6)	(0.4)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Transfers out	-	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	(1.7)	(2.0)	(1.0)	(0.9)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(81.6)</b>	<b>(81.2)</b>	<b>(86.3)</b>	<b>(72.8)</b>	<b>(73.0)</b>	<b>(28.6)</b>	<b>(2.8)</b>	<b>(1.7)</b>	<b>(1.8)</b>	<b>(1.9)</b>	<b>(2.0)</b>	<b>(2.1)</b>	<b>(2.1)</b>	<b>(2.2)</b>	<b>(2.2)</b>	<b>(2.3)</b>
<b>Total surplus (deficit)</b>	<b>\$ (13.5)</b>	<b>\$ (15.2)</b>	<b>\$ (11.5)</b>	<b>\$ (12.1)</b>	<b>\$ (6.2)</b>	<b>\$ 2.8</b>	<b>\$ (0.3)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>																
Additional operating expenditures	-	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	-	(5.1)	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>(0.3)</b>	<b>(5.3)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ (0.3)</b>	<b>\$ (5.3)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ 2.8</b>	<b>\$ (0.6)</b>	<b>\$ (5.3)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Department employees (baseline)	348	317	262	243	185	80	14	9	9	9	9	9	9	9	9	9	
Average salary & wages(1)	\$ 38,399	\$ 42,069	\$ 44,205	\$ 39,808	\$ 42,873	\$ 29,627	\$ 60,946	\$ 73,547	\$ 73,547	\$ 75,386	\$ 77,270	\$ 79,202	\$ 80,786	\$ 82,402	\$ 84,050	\$ 85,731	
Average overtime	404	525	529	(486)	456	164	164	187	187	191	196	201	205	209	213	218	
	\$ 38,804	\$ 42,594	\$ 44,734	\$ 39,322	\$ 43,329	\$ 29,791	\$ 61,110	\$ 73,734	\$ 73,734	\$ 75,577	\$ 77,466	\$ 79,403	\$ 80,991	\$ 82,611	\$ 84,263	\$ 85,948	
Overtime as a % of salary & wages	1.1%	1.2%	1.2%	-1.2%	1.1%	0.6%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	
Pension as a % of salary & wages						8.1%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%	
Medical & fringe as a % of salary & wage	50.3%	46.6%	49.3%	61.0%	65.3%	88.6%	29.6%	26.5%	27.2%	27.7%	28.2%	28.7%	28.9%	29.1%	29.4%	29.7%	

Key Items	Comment/Reference
General	Health & Wellness transitioned to Institute for Population Health (IPH) effective 10/31/12. The department will retain approximately 9 individuals to perform a required administrative function; the costs incurred by these individuals are assumed to be grant funded
Revenue	
Sales and charges for services	Vital records revenue, which is assumed to be transferred to the County beginning 1/1/2014.
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Operational restructuring	
Additional Department employees	-

(1) Based on department salaries & wages and employees, see Appendix C.2.



Ten-Year Financial Projections  
Human Resources - general fund  
(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	7.2	4.1	2.4	6.8	3.2	(0.4)	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>7.2</b>	<b>4.1</b>	<b>2.4</b>	<b>6.8</b>	<b>3.2</b>	<b>(0.4)</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>
<b>Expenditures</b>																
Salaries and wages	(9.2)	(9.2)	(8.5)	(6.8)	(5.9)	(4.2)	(4.2)	(4.4)	(3.1)	(3.2)	(3.3)	(3.4)	(3.4)	(3.5)	(3.6)	(3.7)
Overtime	(0.5)	(0.6)	(0.6)	(0.2)	(0.1)	(0.2)	(0.2)	(0.2)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Pension	(0.8)	(0.7)	(0.5)	(0.4)	(0.6)	(0.5)	(2.6)	(3.2)	(2.6)	(2.9)	(3.2)	(3.4)	(3.6)	(3.7)	(3.9)	(4.1)
Medical & fringe benefits	(4.8)	(4.4)	(4.5)	(3.8)	(3.7)	(3.4)	(5.0)	(5.2)	(5.0)	(5.2)	(5.4)	(5.7)	(6.0)	(6.3)	(6.6)	(6.9)
Professional and contractual services	(0.7)	(0.7)	(0.7)	(0.5)	(1.3)	(0.3)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)
Materials & supplies	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Utilities	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Purchased services	(0.0)	(0.0)	(0.0)	(0.0)	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(0.8)	(1.0)	(0.6)	(0.5)	(0.7)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)
Debt service	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(1.2)	(1.2)	(1.3)	(1.5)	(1.6)	(1.5)	(1.9)	(2.0)	(1.5)	(1.5)	(1.6)	(1.5)	(1.5)	(1.5)	(1.5)	(1.6)
Transfers out	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(18.3)</b>	<b>(18.0)</b>	<b>(17.0)</b>	<b>(14.0)</b>	<b>(13.9)</b>	<b>(10.7)</b>	<b>(15.4)</b>	<b>(16.5)</b>	<b>(13.9)</b>	<b>(14.5)</b>	<b>(15.2)</b>	<b>(15.7)</b>	<b>(16.3)</b>	<b>(16.8)</b>	<b>(17.4)</b>	<b>(17.9)</b>
<b>Total surplus (deficit)</b>	<b>\$ (11.1)</b>	<b>\$ (14.0)</b>	<b>\$ (14.5)</b>	<b>\$ (7.2)</b>	<b>\$ (10.7)</b>	<b>\$ (11.1)</b>	<b>\$ (13.2)</b>	<b>\$ (14.3)</b>	<b>\$ (11.6)</b>	<b>\$ (12.3)</b>	<b>\$ (13.0)</b>	<b>\$ (13.5)</b>	<b>\$ (14.0)</b>	<b>\$ (14.6)</b>	<b>\$ (15.1)</b>	<b>\$ (15.7)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>																
Additional operating expenditures	-	(0.1)	(2.3)	(3.9)	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)	(4.1)	(4.1)	(4.2)	(4.3)
Technology	-	-	(0.5)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Capital expenditures and other infrastructure	-	-	-	(1.0)	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	(1.4)	(1.0)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>(0.1)</b>	<b>(4.2)</b>	<b>(6.0)</b>	<b>(4.1)</b>	<b>(4.1)</b>	<b>(4.1)</b>	<b>(4.1)</b>	<b>(4.1)</b>	<b>(4.1)</b>	<b>(4.1)</b>	<b>(4.1)</b>	<b>(4.2)</b>	<b>(4.2)</b>	<b>(4.3)</b>	<b>(4.4)</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ (0.1)</b>	<b>\$ (4.2)</b>	<b>\$ (6.0)</b>	<b>\$ (4.1)</b>	<b>\$ (4.1)</b>	<b>\$ (4.1)</b>	<b>\$ (4.1)</b>	<b>\$ (4.1)</b>	<b>\$ (4.1)</b>	<b>\$ (4.1)</b>	<b>\$ (4.1)</b>	<b>\$ (4.2)</b>	<b>\$ (4.2)</b>	<b>\$ (4.3)</b>	<b>\$ (4.4)</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (11.1)</b>	<b>\$ (13.2)</b>	<b>\$ (18.5)</b>	<b>\$ (17.6)</b>	<b>\$ (16.3)</b>	<b>\$ (17.1)</b>	<b>\$ (17.6)</b>	<b>\$ (18.2)</b>	<b>\$ (18.8)</b>	<b>\$ (19.4)</b>	<b>\$ (20.0)</b>					

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Department employees (baseline)	175	168	171	176	107	93	84	84	60	60	60	60	60	60	60	60	
Average salary & wages(1)	\$ 52,849	\$ 55,000	\$ 49,465	\$ 38,861	\$ 55,145	\$ 44,710	\$ 49,727	\$ 52,213	\$ 52,213	\$ 53,519	\$ 54,857	\$ 56,228	\$ 57,353	\$ 58,500	\$ 59,670	\$ 60,863	
Average overtime	2,760	3,423	3,558	944	925	2,125	2,363	2,481	2,481	2,543	2,607	2,672	2,725	2,780	2,835	2,892	
	\$ 55,609	\$ 58,423	\$ 53,023	\$ 39,805	\$ 56,070	\$ 46,835	\$ 52,090	\$ 54,694	\$ 54,694	\$ 56,062	\$ 57,463	\$ 58,900	\$ 60,078	\$ 61,279	\$ 62,505	\$ 63,755	
Overtime as a % of salary & wages	5.2%	6.2%	7.2%	2.4%	1.7%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	
Pension as a % of salary & wages						11.1%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%	
Medical & fringe as a % of salary & wage	52.0%	47.7%	52.8%	55.1%	62.4%	82.6%	118.7%	118.0%	158.3%	161.6%	164.5%	169.1%	173.6%	178.9%	183.3%	187.7%	

Key Items	Comment/Reference
General	Payroll administration will be managed by an external firm beginning in FY 2015. This results in decreased personnel costs beginning FY 2016; however, certain implementation costs will be incurred in FY 2015 (captured in Non-departmental)
Revenues	
Sales and charges for services	Interagency billings
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3 - Headcount reductions occur beginning FY 2016 due to external payroll processing services provider
Professional and contractual services	Primarily labor relations administration
Other expenses	Building rental expenses
Operational restructuring	
Additional Department employees	- 6 22 33 33 33 33 33 33 33

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

## Human Rights - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	0.5	0.4	0.5	0.4	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>0.5</b>	<b>0.4</b>	<b>0.5</b>	<b>0.4</b>	<b>0.2</b>	<b>0.2</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>
<b>Expenditures</b>																
Salaries and wages	(0.7)	(0.7)	(0.5)	(0.4)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)
Overtime	(0.0)	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-
Pension	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Medical & fringe benefits	(0.3)	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)
Professional and contractual services	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Materials & supplies	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Utilities	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Purchased services	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Debt service	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	(0.0)	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(1.4)</b>	<b>(1.3)</b>	<b>(0.9)</b>	<b>(0.9)</b>	<b>(0.7)</b>	<b>(0.7)</b>	<b>(1.2)</b>	<b>(1.2)</b>	<b>(1.3)</b>	<b>(1.4)</b>	<b>(1.4)</b>	<b>(1.5)</b>	<b>(1.5)</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>(1.7)</b>
<b>Total surplus (deficit)</b>	<b>\$ (0.8)</b>	<b>\$ (0.9)</b>	<b>\$ (0.5)</b>	<b>\$ (0.5)</b>	<b>\$ (0.5)</b>	<b>\$ (0.4)</b>	<b>\$ (0.9)</b>	<b>\$ (0.9)</b>	<b>\$ (1.0)</b>	<b>\$ (1.1)</b>	<b>\$ (1.1)</b>	<b>\$ (1.2)</b>	<b>\$ (1.2)</b>	<b>\$ (1.3)</b>	<b>\$ (1.3)</b>	<b>\$ (1.4)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.2	\$ 0.2	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.4	\$ 0.4
<b>Expenses</b>																
Additional operating expenditures	-	-	(0.4)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.7)
Technology	-	-	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>-</b>	<b>(0.5)</b>	<b>(0.6)</b>	<b>(0.6)</b>	<b>(0.6)</b>	<b>(0.6)</b>	<b>(0.6)</b>	<b>(0.6)</b>	<b>(0.6)</b>	<b>(0.6)</b>	<b>(0.6)</b>	<b>(0.6)</b>	<b>(0.6)</b>	<b>(0.6)</b>	<b>(0.7)</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (0.5)</b>	<b>\$ (0.4)</b>	<b>\$ (0.4)</b>	<b>\$ (0.3)</b>	<b>\$ (0.3)</b>	<b>\$ (0.3)</b>	<b>\$ (0.3)</b>	<b>\$ (0.3)</b>	<b>\$ (0.3)</b>	<b>\$ (0.3)</b>	<b>\$ (0.3)</b>	<b>\$ (0.2)</b>	<b>\$ (0.2)</b>	<b>\$ (0.3)</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (0.4)</b>	<b>\$ (0.9)</b>	<b>\$ (1.5)</b>	<b>\$ (1.3)</b>	<b>\$ (1.4)</b>	<b>\$ (1.4)</b>	<b>\$ (1.5)</b>	<b>\$ (1.5)</b>	<b>\$ (1.6)</b>	<b>\$ (1.6)</b>	<b>\$ (1.6)</b>	<b>\$ (1.6)</b>	<b>\$ (1.6)</b>	<b>\$ (1.6)</b>	<b>\$ (1.6)</b>	<b>\$ (1.6)</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Department employees (baseline)	13	12	n/a	8	6	5	5	5	5	5	5	5	5	5	5	5	
Average salary & wages(1)	\$ 51,973	\$ 58,859	n/a	\$ 54,195	\$ 56,173	\$ 50,106	\$ 57,093	\$ 59,948	\$ 59,948	\$ 61,447	\$ 62,983	\$ 64,558	\$ 65,849	\$ 67,166	\$ 68,509	\$ 69,879	
Average overtime	290	230	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	
	\$ 52,263	\$ 59,089	\$ -	\$ 54,195	\$ 56,173	\$ 50,106	\$ 57,093	\$ 59,948	\$ 59,948	\$ 61,447	\$ 62,983	\$ 64,558	\$ 65,849	\$ 67,166	\$ 68,509	\$ 69,879	
Overtime as a % of salary & wages	0.6%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Pension as a % of salary & wages						10.4%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%	
Medical & fringe as a % of salary & wage	41.8%	38.4%	42.5%	47.6%	55.3%	72.7%	134.0%	133.5%	137.9%	140.7%	143.2%	147.2%	151.0%	155.5%	159.3%	163.1%	

Key Items	Comment/Reference
Revenues	
Parking/court fines and other revenue	Detroit Business Certification Program (DBCP) fees
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3

Operational restructuring																
Additional Department employees	-	-	6	6	6	6	6	6	6	6	6	6	6	6	6	6

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

## Human Services - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	1.6	0.9	-	-	(0.0)	0.0	-	-	-	-	-	-	-	-	-	-
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	(0.4)	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	0.1	0.1	0.1	0.0	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>1.7</b>	<b>0.9</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>																
Salaries and wages	(0.7)	(0.4)	(0.3)	(0.2)	(0.1)	(0.0)	-	-	-	-	-	-	-	-	-	-
Overtime	(0.0)	(0.0)	-	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-
Pension	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)	-	-	-	-	-	-	-	-	-	-	-
Medical & fringe benefits	(0.4)	(0.2)	(0.2)	(0.1)	(0.1)	(0.0)	-	-	-	-	-	-	-	-	-	-
Professional and contractual services	(0.6)	(0.5)	(0.2)	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-
Materials & supplies	(0.1)	(0.1)	(0.0)	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-
Utilities	(0.0)	(0.0)	(0.0)	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-
Purchased services	(0.0)	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(2.0)</b>	<b>(1.5)</b>	<b>(0.9)</b>	<b>(0.3)</b>	<b>(0.2)</b>	<b>(0.0)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total surplus (deficit)</b>	<b>\$ (0.3)</b>	<b>\$ (0.6)</b>	<b>\$ (0.8)</b>	<b>\$ (0.3)</b>	<b>\$ (0.1)</b>	<b>\$ (0.0)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>																
Additional operating expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (0.0)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	117	91	95	85	52	22	-	-	-	-	-	-	-	-	-	-
Average salary & wages(1)	\$ 42,296	\$ 53,028	\$ 47,676	\$ 46,749	\$ 64,791	\$ 44,951	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Average overtime	60	56	-	-	4	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	\$ 42,356	\$ 53,084	\$ 47,676	\$ 46,749	\$ 64,795	\$ 44,951	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Overtime as a % of salary & wages	1.0%	1.2%	0.0%	0.0%	0.2%	0.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pension as a % of salary & wages						0.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Medical & fringe as a % of salary & wage	59.3%	55.6%	54.1%	46.5%	83.7%	66.7%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Key Items	Comment/Reference
General	The Human Services department is being transitioned out of the City effective FY 2014

Operational restructuring																
Additional Department employees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

## ITS - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	0.5	0.5	0.2	1.3	0.4	0.7	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Revenue from use of assets	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	(0.1)	-	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>0.9</b>	<b>0.5</b>	<b>0.2</b>	<b>1.3</b>	<b>0.4</b>	<b>0.7</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>
<b>Expenditures</b>																
Salaries and wages	(5.1)	(5.1)	(4.0)	(3.4)	(2.6)	(2.0)	(2.0)	(2.3)	(2.3)	(2.4)	(2.4)	(2.5)	(2.5)	(2.6)	(2.6)	(2.7)
Overtime	(0.4)	(0.2)	(0.1)	(0.1)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Pension	(0.6)	(0.5)	(0.4)	(0.4)	(0.3)	(0.2)	(1.3)	(1.7)	(1.9)	(2.1)	(2.4)	(2.5)	(2.6)	(2.8)	(2.9)	(3.0)
Medical & fringe benefits	(2.6)	(2.3)	(1.9)	(1.8)	(1.5)	(1.5)	(2.4)	(2.5)	(2.6)	(2.8)	(2.9)	(3.0)	(3.2)	(3.3)	(3.5)	(3.6)
Professional and contractual services	(2.4)	(2.5)	(4.9)	(3.0)	(2.6)	(3.8)	(3.8)	(3.8)	(3.9)	(3.9)	(4.0)	(4.0)	(4.0)	(4.1)	(4.1)	(4.2)
Materials & supplies	(8.4)	(11.4)	(12.3)	(8.7)	(8.1)	(4.8)	(7.8)	(6.9)	(5.9)	(6.0)	(6.0)	(6.1)	(6.1)	(6.2)	(6.3)	(6.3)
Utilities	(0.8)	(1.4)	(0.5)	(0.8)	(0.5)	(2.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Purchased services	-	(0.2)	(0.2)	0.1	0.0	-	-	-	-	-	-	-	-	-	-	-
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(1.7)	(1.7)	(1.8)	(1.5)	(0.8)	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)
Debt service	(0.1)	-	-	-	-	(1.1)	(1.4)	(1.4)	(1.4)	(0.7)	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.5)	(0.5)	(0.6)	(0.6)	(0.7)	(0.6)	(0.9)	(1.0)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)
Transfers out	-	(0.1)	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(22.7)</b>	<b>(26.0)</b>	<b>(26.7)</b>	<b>(20.3)</b>	<b>(17.0)</b>	<b>(18.1)</b>	<b>(21.7)</b>	<b>(21.8)</b>	<b>(21.3)</b>	<b>(21.1)</b>	<b>(20.9)</b>	<b>(21.3)</b>	<b>(21.7)</b>	<b>(22.2)</b>	<b>(22.6)</b>	<b>(23.0)</b>
<b>Total surplus (deficit)</b>	<b>\$ (21.8)</b>	<b>\$ (25.5)</b>	<b>\$ (26.6)</b>	<b>\$ (19.1)</b>	<b>\$ (16.7)</b>	<b>\$ (17.4)</b>	<b>\$ (21.2)</b>	<b>\$ (21.3)</b>	<b>\$ (20.8)</b>	<b>\$ (20.6)</b>	<b>\$ (20.4)</b>	<b>\$ (20.8)</b>	<b>\$ (21.2)</b>	<b>\$ (21.7)</b>	<b>\$ (22.1)</b>	<b>\$ (22.5)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>																
Additional operating expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (17.4)</b>	<b>\$ (21.2)</b>	<b>\$ (21.3)</b>	<b>\$ (20.8)</b>	<b>\$ (20.6)</b>	<b>\$ (20.4)</b>	<b>\$ (20.8)</b>	<b>\$ (21.2)</b>	<b>\$ (21.7)</b>	<b>\$ (22.1)</b>	<b>\$ (22.5)</b>					

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Department employees (baseline)	99	92	65	46	43	35	35	38	38	38	38	38	38	38	38	38	
Average salary & wages(1)	\$ 51,306	\$ 55,548	\$ 61,007	\$ 74,548	\$ 60,681	\$ 57,494	\$ 57,494	\$ 60,369	\$ 60,369	\$ 61,878	\$ 63,425	\$ 65,011	\$ 66,311	\$ 67,637	\$ 68,990	\$ 70,369	
Average overtime	4,087	2,260	2,140	1,465	597	2,467	2,467	2,590	2,590	2,655	2,721	2,789	2,845	2,902	2,960	3,019	
	\$ 55,393	\$ 57,808	\$ 63,147	\$ 76,013	\$ 61,278	\$ 59,961	\$ 59,961	\$ 62,959	\$ 62,959	\$ 64,533	\$ 66,146	\$ 67,800	\$ 69,156	\$ 70,539	\$ 71,949	\$ 73,388	
Overtime as a % of salary & wages	8.0%	4.1%	3.5%	2.0%	1.0%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	4.3%	
Pension as a % of salary & wages						9.7%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%	
Medical & fringe as a % of salary & wage	51.0%	45.7%	48.1%	53.2%	55.9%	74.7%	117.9%	110.5%	114.1%	116.4%	118.5%	121.7%	124.8%	128.3%	131.3%	134.4%	

Key Items	Comment/Reference
Revenues	
Sales and charges for services	Primarily interagency billings
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Professional and contractual services	Information technology contracts
Materials & supplies	Primarily hardware (servers, Xerox, etc.) and software (Oracle, Groupwise, etc.) maintenance & upgrade costs; does not include upgrade costs in excess of 2012 levels
	Beginning FY 2015, savings from payroll administration outsourcing reflected as certain upgrades would not be completed
Other expenses	Rental expenses (building, computers, and other office equipment)
Debt service	Payments for IBM product purchased through financing in FY 2013; purchase captured in Non-Departmental
Operational restructuring	
Additional Department employees	n/a

(1) Based on department salaries & wages and employees, see Appendix C.2.



## Ten-Year Financial Projections

## Law - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	(1.2)	1.0	0.6	0.1	1.2	0.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Revenue from use of assets	-	-	-	-	0.0	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	0.1	0.3	0.1	0.1	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>(1.1)</b>	<b>1.3</b>	<b>0.6</b>	<b>0.2</b>	<b>1.5</b>	<b>0.7</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>
<b>Expenditures</b>																
Salaries and wages	(9.3)	(9.2)	(8.2)	(7.7)	(7.4)	(6.1)	(6.1)	(6.4)	(6.4)	(6.6)	(6.8)	(6.9)	(7.1)	(7.2)	(7.3)	(7.5)
Overtime	(0.0)	(0.1)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Pension	(0.3)	(0.2)	(0.0)	(0.2)	(0.5)	(0.6)	(3.9)	(4.6)	(5.3)	(6.0)	(6.7)	(7.0)	(7.3)	(7.7)	(8.0)	(8.3)
Medical & fringe benefits	(4.0)	(3.6)	(3.4)	(3.5)	(4.0)	(4.2)	(3.3)	(3.4)	(3.5)	(3.7)	(3.8)	(4.0)	(4.2)	(4.3)	(4.5)	(4.7)
Professional and contractual services	(3.3)	(3.5)	(3.0)	(2.1)	(1.6)	(1.7)	(1.7)	(1.7)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.9)	(1.9)
Materials & supplies	(0.5)	(0.3)	(0.4)	(0.3)	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Utilities	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	0.0	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Purchased services	(1.2)	(0.9)	(1.4)	(1.2)	(1.4)	(1.3)	(1.3)	(1.3)	(1.4)	(1.4)	(1.4)	(1.4)	(1.4)	(1.4)	(1.4)	(1.5)
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(1.1)	(1.2)	(1.1)	(0.9)	(0.1)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)
Debt service	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(1.6)	(1.6)	(1.8)	(1.9)	(2.0)	(2.0)	(2.8)	(2.9)	(3.0)	(3.1)	(3.2)	(3.1)	(3.2)	(3.2)	(3.2)	(3.2)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(21.5)</b>	<b>(20.7)</b>	<b>(19.3)</b>	<b>(17.9)</b>	<b>(17.3)</b>	<b>(16.9)</b>	<b>(20.2)</b>	<b>(21.6)</b>	<b>(22.6)</b>	<b>(23.6)</b>	<b>(24.7)</b>	<b>(25.4)</b>	<b>(26.1)</b>	<b>(26.8)</b>	<b>(27.5)</b>	<b>(28.2)</b>
<b>Total surplus (deficit)</b>	<b>\$ (22.6)</b>	<b>\$ (19.4)</b>	<b>\$ (18.6)</b>	<b>\$ (17.8)</b>	<b>\$ (15.8)</b>	<b>\$ (16.2)</b>	<b>\$ (18.4)</b>	<b>\$ (19.8)</b>	<b>\$ (20.8)</b>	<b>\$ (21.8)</b>	<b>\$ (23.0)</b>	<b>\$ (23.6)</b>	<b>\$ (24.3)</b>	<b>\$ (25.0)</b>	<b>\$ (25.8)</b>	<b>\$ (26.4)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6
<b>Expenses</b>																
Additional operating expenditures	-	-	-	-	-	-	1.6	0.4	0.4	0.4	0.4	0.3	0.3	0.2	0.2	0.1
Technology	-	-	-	-	-	-	(0.5)	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	(0.1)	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>(0.5)</b>	<b>1.5</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.3</b>	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ (0.5)</b>	<b>\$ 1.5</b>	<b>\$ 1.0</b>	<b>\$ 1.0</b>	<b>\$ 0.9</b>	<b>\$ 0.9</b>	<b>\$ 0.9</b>	<b>\$ 0.9</b>	<b>\$ 0.8</b>	<b>\$ 0.8</b>	<b>\$ 0.7</b>	<b>\$ 0.7</b>	<b>\$ 0.7</b>	<b>\$ 0.7</b>	<b>\$ 0.7</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (16.2)</b>	<b>\$ (18.9)</b>	<b>\$ (18.3)</b>	<b>\$ (19.8)</b>	<b>\$ (20.9)</b>	<b>\$ (22.0)</b>	<b>\$ (22.8)</b>	<b>\$ (23.5)</b>	<b>\$ (24.3)</b>	<b>\$ (25.0)</b>	<b>\$ (25.7)</b>	<b>\$ (26.4)</b>	<b>\$ (27.1)</b>	<b>\$ (27.8)</b>	<b>\$ (28.5)</b>	<b>\$ (29.2)</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Department employees (baseline)	127	122	113	105	94	86	86	86	86	86	86	86	86	86	86	86	
Average salary & wages(1)	\$ 73,486	\$ 75,672	\$ 72,144	\$ 73,252	\$ 78,313	\$ 71,497	\$ 71,497	\$ 75,072	\$ 75,072	\$ 76,949	\$ 78,873	\$ 80,844	\$ 82,461	\$ 84,111	\$ 85,793	\$ 87,509	
Average overtime	222	728	161	114	568	1,094	1,094	1,148	1,148	1,177	1,207	1,237	1,261	1,287	1,312	1,339	
	\$ 73,709	\$ 76,400	\$ 72,305	\$ 73,366	\$ 78,881	\$ 72,591	\$ 72,591	\$ 76,220	\$ 76,220	\$ 78,126	\$ 80,079	\$ 82,081	\$ 83,723	\$ 85,397	\$ 87,105	\$ 88,847	
Overtime as a % of salary & wages	0.3%	1.0%	0.2%	0.2%	0.7%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	
Pension as a % of salary & wages						10.0%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%	
Medical & fringe as a % of salary & wage	42.3%	38.9%	41.8%	45.7%	54.1%	68.6%	53.6%	52.9%	54.5%	55.6%	56.6%	57.9%	59.0%	60.3%	61.4%	62.6%	

Key Items	Comment/Reference
Revenues	
Sales and charges for services	Primarily interagency billings; Law department began invoicing other departments correctly in FY 2012
Parking/court fines and other revenue	Miscellaneous receipts
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Professional and contractual services	Contracts for legal work/assistance and other printing contracts/services
Purchased services	Purchased administration costs
Other expenses	Building rental expenses
Operational restructuring	
Additional Department employees	- - 9 17 17 17 17 17 17

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

## Mayor - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	-	0.1	0.0	0.2	0.0	0.0	-	-	-	-	-	-	-	-	-	-
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	(0.1)	(0.4)	0.7	(0.2)	0.1	0.0	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	0.1	-	-	0.2	0.1	(0.1)	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>Total revenues</b>	<b>0.0</b>	<b>(0.3)</b>	<b>0.7</b>	<b>0.1</b>	<b>0.2</b>	<b>(0.1)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
<b>Expenditures</b>																
Salaries and wages	(5.7)	(5.3)	(4.6)	(4.0)	(3.1)	(2.2)	(2.1)	(2.3)	(2.3)	(2.4)	(2.5)	(2.5)	(2.6)	(2.6)	(2.7)	(2.7)
Overtime	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pension	(0.7)	(0.5)	(0.4)	(0.5)	(0.5)	(0.2)	(1.3)	(1.7)	(2.0)	(2.2)	(2.4)	(2.5)	(2.7)	(2.8)	(2.9)	(3.0)
Medical & fringe benefits	(2.6)	(2.1)	(1.9)	(1.6)	(1.5)	(1.2)	(1.8)	(1.9)	(1.9)	(2.0)	(2.1)	(2.2)	(2.3)	(2.4)	(2.5)	(2.7)
Professional and contractual services	(0.2)	(0.2)	(0.1)	(0.2)	(0.1)	(0.0)	(0.5)	(1.0)	(1.1)	(1.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Materials & supplies	(0.2)	(0.2)	(0.2)	(0.2)	0.0	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)
Utilities	(0.3)	(0.2)	(0.1)	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Purchased services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk management and insurance	(0.0)	-	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Other expenses	(1.5)	(1.3)	(0.9)	(0.7)	(0.6)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Debt service	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.4)	(0.5)	(0.5)	(0.5)	(0.6)	(0.8)	(0.9)	(1.1)	(1.1)	(1.1)	(1.2)	(1.1)	(1.2)	(1.2)	(1.2)	(1.2)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	0.2	0.1	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(11.3)</b>	<b>(10.1)</b>	<b>(8.7)</b>	<b>(8.0)</b>	<b>(6.6)</b>	<b>(5.0)</b>	<b>(7.2)</b>	<b>(8.7)</b>	<b>(9.0)</b>	<b>(9.5)</b>	<b>(8.9)</b>	<b>(9.2)</b>	<b>(9.4)</b>	<b>(9.7)</b>	<b>(10.0)</b>	<b>(10.3)</b>
<b>Total surplus (deficit)</b>	<b>\$ (11.3)</b>	<b>\$ (10.5)</b>	<b>\$ (8.0)</b>	<b>\$ (7.8)</b>	<b>\$ (6.4)</b>	<b>\$ (5.0)</b>	<b>\$ (7.2)</b>	<b>\$ (8.6)</b>	<b>\$ (9.0)</b>	<b>\$ (9.4)</b>	<b>\$ (8.8)</b>	<b>\$ (9.1)</b>	<b>\$ (9.4)</b>	<b>\$ (9.7)</b>	<b>\$ (10.0)</b>	<b>\$ (10.2)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>																
Additional operating expenditures	-	(1.3)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>(1.3)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ (1.3)</b>	<b>\$ (0.1)</b>	<b>\$ (0.1)</b>	<b>\$ (0.1)</b>	<b>\$ (0.1)</b>	<b>\$ (0.1)</b>	<b>\$ (0.1)</b>	<b>\$ (0.1)</b>	<b>\$ (0.1)</b>	<b>\$ (0.1)</b>	<b>\$ (0.1)</b>	<b>\$ (0.1)</b>	<b>\$ (0.1)</b>	<b>\$ (0.1)</b>	<b>\$ (0.1)</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (5.0)</b>	<b>\$ (8.5)</b>	<b>\$ (8.7)</b>	<b>\$ (9.1)</b>	<b>\$ (9.5)</b>	<b>\$ (8.9)</b>	<b>\$ (9.2)</b>	<b>\$ (9.5)</b>	<b>\$ (9.8)</b>	<b>\$ (10.1)</b>	<b>\$ (10.3)</b>	<b>\$ (10.3)</b>	<b>\$ (10.3)</b>	<b>\$ (10.3)</b>	<b>\$ (10.3)</b>	<b>\$ (10.3)</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	108	74	63	52	39	22	22	24	24	24	24	24	24	24	24	24
Average salary & wages(1)	\$ 52,946	\$ 71,222	\$ 73,700	\$ 76,927	\$ 80,495	\$ 98,421	\$ 92,861	\$ 97,504	\$ 97,504	\$ 99,942	\$ 102,440	\$ 105,001	\$ 107,101	\$ 109,243	\$ 111,428	\$ 113,657
Average overtime	9	27	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 52,955	\$ 71,248	\$ 73,700	\$ 76,927	\$ 80,495	\$ 98,421	\$ 92,861	\$ 97,504	\$ 97,504	\$ 99,942	\$ 102,440	\$ 105,001	\$ 107,101	\$ 109,243	\$ 111,428	\$ 113,657
Overtime as a % of salary & wages	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pension as a % of salary & wages						11.2%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%
Medical & fringe as a % of salary & wage	45.0%	40.6%	41.4%	40.8%	48.4%	56.0%	85.9%	80.6%	83.0%	84.6%	86.0%	88.1%	90.3%	92.7%	94.8%	96.8%

Key Items	Comment/Reference
Revenues	
Parking/court fines and other revenue	Miscellaneous receipts
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
	Headcount reduction due to reallocation of Neighborhood City Hall employees to Recreation department in FY 2013
Professional and contractual services	Contracts for legal work/assistance and PSCs
Materials & supplies	Primarily repairs, maintenance, and supplies
Other expenses	Primarily rental expenses

Operational restructuring	
Additional Department employees	- 31 31 31 31 31 31 31 31 31

(1) Based on department salaries & wages and employees, see Appendix C.2.

Ten-Year Financial Projections  
Planning & Development - general fund  
(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	-	-	(0.1)	0.0	0.8	(0.4)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from use of assets	3.3	18.4	1.0	0.2	(1.5)	7.9	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Parking/court fines and other revenue	0.4	1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	2.0	1.8	1.5	2.0	0.7	1.6	1.4	4.5	4.6	4.6	4.7	4.8	4.9	4.9	5.0	5.1
<b>Total revenues</b>	<b>5.9</b>	<b>21.7</b>	<b>2.5</b>	<b>2.2</b>	<b>0.1</b>	<b>9.1</b>	<b>1.6</b>	<b>4.7</b>	<b>4.8</b>	<b>4.9</b>	<b>5.0</b>	<b>5.0</b>	<b>5.1</b>	<b>5.2</b>	<b>5.3</b>	<b>5.3</b>
<b>Expenditures</b>																
Salaries and wages	(1.5)	(1.8)	(1.7)	(1.0)	(0.7)	(0.6)	(0.6)	(3.2)	(3.2)	(3.3)	(3.4)	(3.4)	(3.5)	(3.6)	(3.6)	(3.7)
Overtime	-	(0.0)	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-
Pension	(0.2)	(0.2)	(0.2)	(0.2)	(0.0)	(0.0)	(0.4)	(2.3)	(2.7)	(3.0)	(3.3)	(3.5)	(3.6)	(3.8)	(4.0)	(4.1)
Medical & fringe benefits	(0.7)	(0.8)	(0.8)	(0.5)	(0.4)	(0.3)	(0.5)	(2.2)	(2.2)	(2.3)	(2.4)	(2.6)	(2.7)	(2.8)	(2.9)	(3.0)
Professional and contractual services	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.9)	(0.9)	(0.9)
Materials & supplies	(0.3)	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Utilities	(0.0)	(0.0)	0.1	-	(0.0)	-	-	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Purchased services	-	(0.1)	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(5.3)	(5.4)	(4.8)	(3.8)	(2.7)	(2.9)	(2.9)	(7.5)	(4.1)	(4.1)	(4.1)	(4.2)	(4.2)	(4.2)	(4.3)	(4.3)
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)	(1.4)	(1.5)	(1.5)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(8.3)</b>	<b>(8.9)</b>	<b>(7.8)</b>	<b>(5.6)</b>	<b>(4.1)</b>	<b>(4.1)</b>	<b>(4.8)</b>	<b>(17.8)</b>	<b>(14.8)</b>	<b>(15.4)</b>	<b>(16.0)</b>	<b>(16.4)</b>	<b>(16.8)</b>	<b>(17.2)</b>	<b>(17.6)</b>	<b>(18.0)</b>
<b>Total surplus (deficit)</b>	<b>\$ (2.5)</b>	<b>\$ 12.8</b>	<b>\$ (5.3)</b>	<b>\$ (3.4)</b>	<b>\$ (4.0)</b>	<b>\$ 5.0</b>	<b>\$ (3.2)</b>	<b>\$ (13.1)</b>	<b>\$ (10.0)</b>	<b>\$ (10.5)</b>	<b>\$ (11.0)</b>	<b>\$ (11.4)</b>	<b>\$ (11.7)</b>	<b>\$ (12.0)</b>	<b>\$ (12.3)</b>	<b>\$ (12.7)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>																
Additional operating expenditures	-	(0.4)	(1.2)	(1.0)	(0.9)	-	(0.4)	(1.2)	(1.0)	(0.9)	(1.0)	(1.0)	(1.0)	(1.0)	(1.1)	(1.1)
Technology	-	-	(0.6)	(0.0)	(0.0)	-	-	(0.6)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	(0.6)	(6.8)	(0.8)	-	-	(0.6)	(6.8)	(0.8)	-	-	-	(1.0)	(1.0)	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>(1.0)</b>	<b>(8.5)</b>	<b>(1.8)</b>	<b>(1.0)</b>	<b>-</b>	<b>(1.0)</b>	<b>(8.5)</b>	<b>(1.8)</b>	<b>(1.0)</b>	<b>(1.0)</b>	<b>(1.0)</b>	<b>(2.1)</b>	<b>(2.1)</b>	<b>(1.1)</b>	<b>(1.1)</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ (1.0)</b>	<b>\$ (8.5)</b>	<b>\$ (1.8)</b>	<b>\$ (1.0)</b>	<b>\$ -</b>	<b>\$ (1.0)</b>	<b>\$ (8.5)</b>	<b>\$ (1.8)</b>	<b>\$ (1.0)</b>	<b>\$ (1.0)</b>	<b>\$ (1.0)</b>	<b>\$ (2.1)</b>	<b>\$ (2.1)</b>	<b>\$ (1.1)</b>	<b>\$ (1.1)</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ 5.0</b>	<b>\$ (4.2)</b>	<b>\$ (21.5)</b>	<b>\$ (11.8)</b>	<b>\$ (11.5)</b>	<b>\$ (12.0)</b>	<b>\$ (12.4)</b>	<b>\$ (13.7)</b>	<b>\$ (14.1)</b>	<b>\$ (13.4)</b>	<b>\$ (13.8)</b>	<b>\$ (14.1)</b>	<b>\$ (14.1)</b>	<b>\$ (14.1)</b>	<b>\$ (14.1)</b>	<b>\$ (14.1)</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	172	173	160	154	122	116	116	113	113	113	113	113	113	113	113	113
Average salary & wages(1)	\$ 54,225	\$ 54,491	\$ 55,121	\$ 51,860	\$ 59,007	\$ 53,640	\$ 53,640	\$ 56,322	\$ 56,322	\$ 57,730	\$ 59,173	\$ 60,652	\$ 61,865	\$ 63,103	\$ 64,365	\$ 65,652
Average overtime	-	0	2	0	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 54,225	\$ 54,491	\$ 55,124	\$ 51,860	\$ 59,007	\$ 53,640	\$ 53,640	\$ 56,322	\$ 56,322	\$ 57,730	\$ 59,173	\$ 60,652	\$ 61,865	\$ 63,103	\$ 64,365	\$ 65,652
Overtime as a % of salary & wages	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pension as a % of salary & wages						4.1%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%
Medical & fringe as a % of salary & wage	47.5%	43.1%	46.7%	49.0%	56.5%	58.6%	88.6%	68.1%	70.2%	71.6%	72.8%	74.6%	76.3%	78.2%	79.8%	81.5%

Key Items	Comment/Reference
General	HUD is requiring the City to capture indirect costs and those related to Development/Real Estate and Planning functions in the General Fund and seek reimbursement after payment is made. Personnel costs related to Development/Real Estate and Planning functions transferred to the General Fund will no longer be reimbursed as those heads are not related to grant funded projects
Revenues	
Sales and charges for services	Block grant reimbursements
Revenue from use of assets	Real estate rentals. FY 2012 reflects a loss on sale of property and FY 2013 reflects proceeds from a sale; no gain/loss assumed in the projection period
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Other expenses	Development costs. Includes one-time repayment (\$3.5m) of grant funds to HUD due to FY12 and FY13 over reimbursements
Operational restructuring	
Additional Department employees	- 16 (32) (34) (34) (34) (34) (34) (34) (34) (34)

(1) Based on department salaries & wages and employees, see Appendix C.2.

Ten-Year Financial Projections  
Police - general fund  
(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	51.7	49.9	44.2	44.6	39.8	35.3	20.1	24.5	24.5	24.9	25.3	25.7	26.1	26.4	26.8	27.2
Licenses, permits and inspection charges	0.6	0.9	0.8	0.8	0.8	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	7.6	8.7	10.4	13.2	4.7	2.9	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
Revenue from use of assets	0.0	0.0	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	2.4	2.5	1.5	3.4	5.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	0.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	1.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	4.3	3.2	8.4	12.0	12.6	8.2	7.4	5.2	4.1	3.6	3.7	3.8	3.8	3.9	3.9	4.0
Total revenues	69.3	65.2	65.3	74.0	63.9	51.0	36.6	38.9	37.7	37.6	38.1	38.5	39.0	39.4	39.9	40.3
Expenditures																
Salaries and wages	(182.9)	(190.9)	(184.4)	(193.7)	(177.1)	(152.8)	(139.1)	(149.3)	(156.6)	(161.3)	(165.3)	(169.5)	(172.8)	(176.3)	(179.8)	(183.4)
Overtime	(27.7)	(31.9)	(24.9)	(25.7)	(25.9)	(18.4)	(20.9)	(22.4)	(21.9)	(22.6)	(23.2)	(23.7)	(24.2)	(24.7)	(25.2)	(25.7)
Pension	(31.1)	(31.0)	(23.6)	(66.3)	(42.2)	(35.5)	(94.1)	(109.5)	(123.1)	(135.6)	(148.6)	(150.0)	(153.4)	(154.1)	(152.0)	(151.3)
Medical & fringe benefits	(102.8)	(97.5)	(100.5)	(111.3)	(117.6)	(105.5)	(100.6)	(104.2)	(109.8)	(115.5)	(121.2)	(127.8)	(133.7)	(140.4)	(146.6)	(153.1)
Professional and contractual services	(4.9)	(6.7)	(4.0)	(3.6)	(4.5)	(5.1)	(5.1)	(5.2)	(5.2)	(5.3)	(5.3)	(5.4)	(5.5)	(5.5)	(5.6)	(5.6)
Materials & supplies	(3.4)	(3.2)	(3.1)	(3.0)	(2.7)	(2.2)	(3.2)	(3.2)	(3.2)	(3.2)	(3.3)	(3.3)	(3.3)	(3.4)	(3.4)	(3.4)
Utilities	(6.7)	(8.7)	(8.3)	(9.0)	(8.9)	(2.8)	(9.5)	(10.0)	(10.1)	(10.2)	(10.3)	(10.5)	(10.6)	(10.7)	(10.8)	(10.9)
Purchased services	(1.8)	(2.3)	(1.1)	(0.7)	(1.1)	(1.3)	(11.1)	(11.2)	(11.3)	(11.4)	(11.5)	(11.6)	(11.8)	(11.9)	(12.0)	(12.1)
Risk management and insurance	(0.0)	-	0.0	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Other expenses	(6.1)	(7.1)	(6.1)	(7.2)	(8.1)	(5.6)	(7.0)	(7.0)	(7.0)	(7.1)	(7.1)	(7.2)	(7.2)	(7.3)	(7.3)	(7.3)
Debt service	(0.1)	-	-	(0.1)	(0.0)	(1.6)	(0.0)	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest1	(27.8)	(30.0)	(31.4)	(32.7)	(34.1)	(35.6)	(36.9)	(37.2)	(38.4)	(39.0)	(39.6)	(39.2)	(39.0)	(38.9)	(38.7)	(38.6)
Transfers out	-	(0.5)	(0.5)	(0.4)	(0.5)	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	(0.8)	(0.9)	(0.4)	(1.6)	(1.4)	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	(396.2)	(410.8)	(388.3)	(455.2)	(424.2)	(366.4)	(427.4)	(459.1)	(486.8)	(511.3)	(535.5)	(548.1)	(561.6)	(573.0)	(581.4)	(591.6)
Total surplus (deficit)	\$ (326.9)	\$ (345.6)	\$ (323.1)	\$ (381.2)	\$ (360.3)	\$ (315.4)	\$ (390.8)	\$ (420.3)	\$ (449.1)	\$ (473.7)	\$ (497.4)	\$ (509.6)	\$ (522.6)	\$ (533.6)	\$ (541.6)	\$ (551.2)
Operational restructuring																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3.6	\$ 3.6	\$ 3.6	\$ 3.6	\$ 3.6	\$ 3.6	\$ 3.6	\$ 3.6	\$ 3.6
Expenses																
Additional operating expenditures	-	-	-	(2.2)	(14.4)	-	(2.2)	(14.4)	(17.9)	(10.9)	(9.4)	(8.8)	(8.9)	(8.9)	(8.7)	(9.1)
Technology	-	-	-	(0.9)	(12.2)	-	(0.9)	(12.2)	(10.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)
Capital expenditures and other infrastructure	-	-	-	(10.8)	(24.8)	-	(10.8)	(24.8)	(16.5)	(10.2)	(10.6)	(10.2)	(13.3)	(13.1)	(13.1)	(13.0)
Implementation costs	-	-	-	-	(0.6)	-	-	(0.6)	(0.4)	-	-	-	-	-	-	-
Subtotal: Expenses	-	-	-	(14.0)	(52.0)	-	(14.0)	(52.0)	(45.1)	(23.2)	(22.2)	(21.1)	(24.3)	(24.1)	(23.9)	(24.2)
Operational restructuring	\$ -	\$ (14.0)	\$ (48.3)	\$ (41.5)	\$ (19.6)	\$ (18.5)	\$ (17.5)	\$ (20.7)	\$ (20.5)	\$ (20.3)	\$ (20.6)					
Adjusted surplus (deficit)	\$ (315.4)	\$ (404.8)	\$ (468.6)	\$ (490.6)	\$ (493.3)	\$ (516.0)	\$ (527.1)	\$ (543.3)	\$ (554.1)	\$ (561.9)	\$ (571.9)					

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	3,421	3,688	3,288	3,195	3,016	2,909	2,706	2,747	2,882	2,895	2,895	2,895	2,895	2,895	2,895	2,895
Average salary & wages(1)	\$ 53,597	\$ 51,883	\$ 56,204	\$ 60,742	\$ 58,848	\$ 52,625	\$ 51,514	\$ 54,454	\$ 54,454	\$ 55,816	\$ 57,211	\$ 58,641	\$ 59,814	\$ 61,010	\$ 62,231	\$ 63,475
Average overtime	8,104	8,646	7,576	8,050	8,590	6,312	7,719	8,159	7,615	7,806	8,001	8,201	8,365	8,532	8,703	8,877
	\$ 61,701	\$ 60,529	\$ 63,780	\$ 68,792	\$ 67,438	\$ 58,936	\$ 59,233	\$ 62,613	\$ 62,070	\$ 63,621	\$ 65,212	\$ 66,842	\$ 68,179	\$ 69,543	\$ 70,933	\$ 72,352
Overtime as a % of salary & wages	15.2%	16.7%	13.5%	13.3%	14.6%	12.0%	15.0%	15.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%
Pension as a % of salary & wages						23.2%	67.6%	73.3%	78.6%	84.1%	89.9%	88.5%	88.7%	87.4%	84.5%	82.5%
Medical & fringe as a % of salary & wage	56.2%	51.1%	54.5%	57.5%	66.4%	69.0%	72.3%	69.8%	70.1%	71.6%	73.3%	75.4%	77.4%	79.6%	81.5%	83.5%

Key Items	Comment/Reference
Revenues	
Utility users' and other taxes	Utility users' tax decreases beginning FY 2014 due to the allocation to the Public Lighting Authority (\$17m in FY 2014; \$12.5m thereafter). Inflationary increases assumed beginning FY 2017.
Sales and charges for services	Interagency billings and charges for external services
Revenue from use of assets	Real estate rentals and concessions. FY 2012 and FY 2013 reflect proceeds from sales; no gain/loss assumed in the projection period
Parking/court fines and other revenue	Primarily court proceeds
Grant revenue	Includes COPS grant
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Professional and contractual services	Contracts such as crime scene services, E-911 improvements and technology support
Materials & supplies	Operating supplies and repairs & maintenance
Utilities	Primarily water, sewage and electricity
Other expenses	Primarily capital outlays and rental expenses
Transfers out	Retirement of debt principal
Operational restructuring	
Additional Department employees	- 125 250 250 175 162 149 149 149 149 149

(1) Based on department salaries & wages and employees, see Appendix C.2.



Ten-Year Financial Projections

PLD - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	(0.0)	0.0	0.0	0.1	(0.0)	0.0	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and Charges for Services	52.3	37.2	43.3	30.8	45.1	36.5	41.2	28.7	26.1	23.5	20.8	18.1	15.3	12.3	10.6	10.7
Revenue from use of assets	-	0.2	-	0.3	0.1	0.5	0.5	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	0.3	0.0	0.7	0.0	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	3.5	3.5	3.5	0.4	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	0.4	-	-	-	-	-	-	-	-	-	-
Total revenues	56.1	40.9	47.5	31.5	45.2	37.5	41.7	28.7	26.1	23.5	20.8	18.1	15.3	12.3	10.6	10.7
Expenditures																
Salaries and wages	(10.1)	(9.6)	(8.0)	(6.8)	(5.8)	(4.8)	(3.4)	(1.0)	(0.6)	(0.4)	(0.2)	(0.2)	(0.2)	(0.2)	-	-
Overtime	(3.4)	(2.8)	(2.5)	(2.9)	(3.5)	(2.4)	(1.0)	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	-	-
Pension	(0.7)	(0.4)	(0.3)	(0.2)	(0.5)	(0.8)	(2.2)	(0.7)	(0.5)	(0.4)	(0.2)	(0.2)	(0.3)	(0.2)	-	-
Medical & fringe benefits	(5.7)	(5.0)	(4.8)	(4.9)	(5.1)	(5.1)	(1.1)	(0.3)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)	-	-
Professional and contractual services	(0.1)	(0.2)	(0.2)	(0.1)	(0.1)	(0.0)	(2.6)	(14.1)	(10.2)	(6.6)	(4.6)	(3.7)	(2.3)	(0.9)	-	-
Materials & supplies	(43.1)	(37.8)	(27.5)	(37.4)	(36.5)	(39.1)	(39.4)	(12.4)	(13.3)	(13.3)	(12.8)	(12.0)	(11.4)	(10.7)	(10.6)	(10.7)
Utilities	(4.3)	(5.0)	(5.4)	(5.0)	(4.4)	(5.7)	(4.6)	(4.6)	(4.2)	(3.6)	(3.4)	(3.2)	(3.0)	(2.7)	(2.6)	(2.7)
Purchased services	(1.6)	(2.0)	(1.0)	(0.0)	(0.1)	(0.2)	(0.2)	(0.9)	(1.4)	(1.7)	(1.4)	(0.9)	(0.5)	(0.1)	-	-
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(0.2)	(3.1)	(0.1)	(0.0)	(0.1)	(0.5)	(0.0)	(0.1)	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)	(0.0)	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	(0.8)	(5.3)	(8.4)	(9.3)	(9.6)	(9.9)	(10.2)	(10.5)	(10.8)	(11.1)
POC - principal and interest1	(2.0)	(2.1)	(2.2)	(2.4)	(2.6)	(2.7)	(1.6)	(0.5)	(0.3)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	(71.2)	(68.0)	(52.1)	(59.8)	(58.8)	(61.3)	(57.0)	(39.9)	(39.1)	(35.8)	(32.6)	(30.4)	(28.1)	(25.4)	(24.0)	(24.5)
Total surplus (deficit)	\$ (15.1)	\$ (27.1)	\$ (4.6)	\$ (28.3)	\$ (13.6)	\$ (23.8)	\$ (15.3)	\$ (11.2)	\$ (13.0)	\$ (12.4)	\$ (11.9)	\$ (12.3)	\$ (12.8)	\$ (13.2)	\$ (13.4)	\$ (13.8)
Operational restructuring																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenses																
Additional operating expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal: Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational restructuring	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted surplus (deficit)	\$ (23.8)	\$ (15.3)	\$ (11.2)	\$ (13.0)	\$ (12.4)	\$ (11.9)	\$ (12.3)	\$ (12.8)	\$ (13.2)	\$ (13.4)	\$ (13.8)					

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Department employees (baseline)	225	206	160	123	103	99	70	12	7	5	3	3	3	2	-	-	
Average salary & wages(1)	\$ 44,676	\$ 46,839	\$ 50,059	\$ 55,114	\$ 55,866	\$ 48,724	\$ 49,211	\$ 84,190	\$ 81,474	\$ 79,817	\$ 79,591	\$ 81,182	\$ 82,806	\$ 84,462	n/a	n/a	
Average overtime	15,017	13,619	15,896	23,374	34,123	24,252	14,708	8,419	8,147	7,982	7,959	8,118	8,281	8,446	n/a	n/a	
	\$ 59,693	\$ 60,459	\$ 65,955	\$ 78,489	\$ 89,989	\$ 72,975	\$ 63,919	\$ 92,610	\$ 89,622	\$ 87,799	\$ 87,550	\$ 89,301	\$ 91,087	\$ 92,908	\$ -	\$ -	
Overtime as a % of salary & wages	33.6%	29.1%	31.8%	42.4%	61.1%	49.8%	29.9%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	n/a	n/a	
Pension as a % of salary & wages						16.9%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	n/a	n/a	
Medical & fringe as a % of salary & wage	57.1%	51.4%	59.8%	72.5%	89.0%	105.7%	32.7%	25.7%	26.6%	27.6%	28.5%	29.0%	29.2%	29.5%	n/a	n/a	

Key Items	Comment/Reference
General	Lighting (Street lights): Street lights will be transitioned to the Public Lighting Authority (PLA) over a 3-year period beginning FY 2014 (3/1/14 - 2/30/17). Overhead lights representing 85% of total PLA street lights are projected to be completed on an 18 month schedule while underground lights (15% of final mix) are forecast over a 36 month period. The final system will have 55,000 street lights. City Grid: All customers currently on the City grid are assumed to be transitioned to a 3rd party provider effective beginning of FY 2015 (7/1/14). Once transitioned, the City will no longer collect revenue from external customers. The grid will be deactivated over a 7-year period beginning FY 2015 (7/1/14 - 6/30/21). PLD plans to utilize third party outsourced labor to maintain its portion of street lights until the transition to PLA is complete (by end-FY 2017)
Revenues	
Sales and Charges for Services <sup>2</sup>	Represents external and internal revenues
External electricity sales	Decreasing consistent with the assumption that electricity customers are transitioned by end-FY 2014. FY 2014 includes \$2.4 million of collections based on the Power Supply Cost Recovery Factor applied to customer bills beginning December 2013
Internal electricity sales	Assumes PLD continues to provide electricity to City departments at current consumption level; departments are billed based on consumption at DTE Rate book
Third-party contributions	Represents reimbursement from 3rd party utility provider to operate and maintain PLD grid until fully transitioned. This reimbursement decreases through FY 2021 when the grid deactivation is complete
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3 PLD plans to utilize third party outsourced labor to maintain its portion of street lights and grid until transition of street lights and grid (by end-FY 2021). Legacy health and pension costs are expected to remain. Minimal PLD administrative staff remains until year 7 of transition (end of FY 2021) when grid deactivation is completed
Materials & supplies	Grid: Fuel and lubricants - electricity purchased, which decreases due to amount purchased for internal consumption only
Utilities	Street light electricity will continue to be purchased by the City, assumes 55,000 street lights full transition by end of FY 2017. Assumes power purchased at \$0.0755/kWh Alley Lights: Additionally, 12,000 alley lights will remain on until the bulbs fail. The forecast assumes the bulbs to fail over a 5 year period or 20% a year. The City will purchase electricity for these street lights
Contributions to non-enterprise funds	Represents contribution to Public Lighting Authority for operations; replaces decreases in personnel Lighting: Total operations & maintenance based the O&M agreement between the City and PLA includes a \$126,500 monthly admin. fee plus per streetlight O&M fee subject to 3% annual increase
Operational restructuring	
Additional Department employees	- - - - - - - - - -

(1) Based on department salaries & wages and employees, see Appendix C.2.  
(2) FY 2012 includes a one-time payment from DPS to account for previous balances due.

## Ten-Year Financial Projections

## Recreation - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	0.1	0.0	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Revenue from use of assets	1.1	1.1	1.0	0.8	1.1	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Parking/court fines and other revenue	0.8	0.8	0.5	0.4	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	0.1	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	1.4	2.4	0.7	0.4	2.8	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.2
<b>Total revenues</b>	<b>3.5</b>	<b>4.3</b>	<b>2.4</b>	<b>1.8</b>	<b>4.2</b>	<b>2.0</b>	<b>1.9</b>	<b>1.9</b>	<b>1.9</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>
<b>Expenditures</b>																
Salaries and wages	(7.4)	(7.7)	(6.8)	(5.9)	(5.2)	(3.4)	(3.4)	(3.6)	(3.6)	(3.7)	(3.8)	(3.9)	(3.9)	(4.0)	(4.1)	(4.2)
Overtime	(0.1)	(0.2)	(0.1)	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Pension	(0.5)	(0.5)	(0.3)	(0.3)	(0.3)	(0.3)	(2.2)	(2.6)	(3.0)	(3.3)	(3.7)	(3.9)	(4.1)	(4.3)	(4.5)	(4.6)
Medical & fringe benefits	(2.5)	(2.4)	(2.2)	(1.9)	(1.9)	(2.2)	(10.8)	(11.4)	(11.7)	(12.3)	(12.8)	(13.5)	(14.2)	(14.9)	(15.6)	(16.4)
Professional and contractual services	(1.0)	(1.0)	(0.3)	(0.5)	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Materials & supplies	(0.1)	(0.1)	(0.1)	(0.3)	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Utilities	(7.5)	(7.2)	(7.1)	(7.7)	(7.5)	(5.8)	(8.4)	(9.0)	(9.3)	(9.6)	(9.8)	(10.1)	(10.4)	(10.7)	(11.0)	(11.4)
Purchased services	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Risk management and insurance	-	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(3.4)	(4.7)	(2.9)	(2.7)	(3.7)	(1.7)	(1.5)	(1.5)	(1.5)	(1.5)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)
Debt service	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.8)	(0.8)	(0.9)	(0.9)	(1.0)	(1.0)	(1.5)	(1.6)	(1.7)	(1.7)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(23.3)</b>	<b>(24.6)</b>	<b>(20.7)</b>	<b>(20.5)</b>	<b>(20.3)</b>	<b>(14.8)</b>	<b>(28.3)</b>	<b>(30.2)</b>	<b>(31.4)</b>	<b>(32.6)</b>	<b>(33.9)</b>	<b>(35.2)</b>	<b>(36.5)</b>	<b>(37.8)</b>	<b>(39.2)</b>	<b>(40.5)</b>
<b>Total surplus (deficit)</b>	<b>\$ (19.8)</b>	<b>\$ (20.3)</b>	<b>\$ (18.3)</b>	<b>\$ (18.7)</b>	<b>\$ (16.2)</b>	<b>\$ (12.9)</b>	<b>\$ (26.4)</b>	<b>\$ (28.3)</b>	<b>\$ (29.4)</b>	<b>\$ (30.7)</b>	<b>\$ (32.0)</b>	<b>\$ (33.2)</b>	<b>\$ (34.5)</b>	<b>\$ (35.8)</b>	<b>\$ (37.1)</b>	<b>\$ (38.5)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1
<b>Expenses</b>																
Additional operating expenditures	-	-	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	(0.9)	(8.9)	(3.1)	(3.3)	(3.0)	(4.0)	(4.3)	(4.0)	(4.3)	(4.0)	(4.3)	(4.0)	(4.0)	(4.0)	(4.0)
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>(0.9)</b>	<b>(8.9)</b>	<b>(3.2)</b>	<b>(3.4)</b>	<b>(3.1)</b>	<b>(4.1)</b>	<b>(4.4)</b>	<b>(4.1)</b>	<b>(4.4)</b>	<b>(4.1)</b>	<b>(4.4)</b>	<b>(4.1)</b>	<b>(4.1)</b>	<b>(4.1)</b>	<b>(4.1)</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ (0.9)</b>	<b>\$ (8.9)</b>	<b>\$ (3.1)</b>	<b>\$ (3.3)</b>	<b>\$ (3.1)</b>	<b>\$ (4.0)</b>	<b>\$ (4.3)</b>	<b>\$ (4.0)</b>	<b>\$ (4.3)</b>	<b>\$ (4.0)</b>	<b>\$ (4.3)</b>	<b>\$ (4.0)</b>	<b>\$ (4.0)</b>	<b>\$ (4.0)</b>	<b>\$ (4.0)</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (12.9)</b>	<b>\$ (27.3)</b>	<b>\$ (37.2)</b>	<b>\$ (32.5)</b>	<b>\$ (34.0)</b>	<b>\$ (35.0)</b>	<b>\$ (37.2)</b>	<b>\$ (38.8)</b>	<b>\$ (39.8)</b>	<b>\$ (41.2)</b>	<b>\$ (42.5)</b>					

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Department employees (baseline)	472	388	508	510	300	202	202	202	202	202	202	202	202	202	202	202	
Average salary & wages(1)	\$ 15,783	\$ 19,905	\$ 13,500	\$ 11,659	\$ 17,264	\$ 16,904	\$ 16,904	\$ 17,749	\$ 17,749	\$ 18,193	\$ 18,648	\$ 19,114	\$ 19,496	\$ 19,886	\$ 20,284	\$ 20,690	
Average overtime	306	402	259	265	524	525	525	551	551	565	579	593	605	617	630	642	
	\$ 16,088	\$ 20,307	\$ 13,759	\$ 11,924	\$ 17,787	\$ 17,429	\$ 17,429	\$ 18,300	\$ 18,300	\$ 18,758	\$ 19,227	\$ 19,707	\$ 20,102	\$ 20,504	\$ 20,914	\$ 21,332	
Overtime as a % of salary & wages	1.9%	2.0%	1.9%	2.3%	3.0%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%	
Pension as a % of salary & wages						8.7%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%	
Medical & fringe as a % of salary & wage	34.1%	31.7%	31.7%	32.7%	36.8%	63.3%	315.8%	316.7%	327.0%	333.6%	339.2%	349.0%	359.2%	371.1%	381.0%	390.9%	

Key Items	Comment/Reference
Revenues	
Revenue from use of assets	Real estate rental and concessions. FY 2012 and FY 2013 include the gain on sale of property; no gain/loss is included going forward
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Materials & supplies	Operating supplies
Utilities	Sewage, water, and various other utilities
Other expenses	Primarily capital outlays
Operational restructuring	
Additional Department employees	- - - - - - - - - -

(1) Based on department salaries & wages and employees, see Appendix C.2. Most Recreation department employees are part-time employees.

## Ten-Year Financial Projections

## Administrative Hearings - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	0.2	0.2	1.2	0.8	0.9	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	0.0	0.1	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>0.2</b>	<b>0.3</b>	<b>1.5</b>	<b>0.8</b>	<b>0.9</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>
<b>Expenditures</b>																
Salaries and wages	(0.3)	(0.3)	(0.4)	(0.4)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Overtime	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pension	0.0	0.0	0.0	(0.0)	(0.0)	(0.0)	(0.2)	(0.2)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Medical & fringe benefits	(0.2)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Professional and contractual services	(1.0)	(1.4)	(0.8)	(0.5)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Materials & supplies	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Utilities	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Purchased services	(0.0)	-	0.0	(0.2)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(1.9)</b>	<b>(2.2)</b>	<b>(1.6)</b>	<b>(1.4)</b>	<b>(1.1)</b>	<b>(1.1)</b>	<b>(1.3)</b>	<b>(1.4)</b>	<b>(1.5)</b>	<b>(1.5)</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>(1.7)</b>	<b>(1.7)</b>	<b>(1.7)</b>
<b>Total surplus (deficit)</b>	<b>\$ (1.7)</b>	<b>\$ (1.9)</b>	<b>\$ (0.1)</b>	<b>\$ (0.6)</b>	<b>\$ (0.2)</b>	<b>\$ (0.6)</b>	<b>\$ (0.8)</b>	<b>\$ (0.9)</b>	<b>\$ (0.9)</b>	<b>\$ (1.0)</b>	<b>\$ (1.0)</b>	<b>\$ (1.1)</b>	<b>\$ (1.1)</b>	<b>\$ (1.1)</b>	<b>\$ (1.2)</b>	<b>\$ (1.2)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>																
Additional operating expenditures	-	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Technology	-	-	(0.5)	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>-</b>	<b>(0.5)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (0.5)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (0.6)</b>	<b>\$ (0.8)</b>	<b>\$ (1.4)</b>	<b>\$ (0.9)</b>	<b>\$ (1.0)</b>	<b>\$ (1.0)</b>	<b>\$ (1.0)</b>	<b>\$ (1.0)</b>	<b>\$ (1.1)</b>	<b>\$ (1.1)</b>	<b>\$ (1.1)</b>	<b>\$ (1.1)</b>	<b>\$ (1.2)</b>	<b>\$ (1.2)</b>	<b>\$ (1.2)</b>	<b>\$ (1.2)</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Department employees (baseline)	6	6	9	6	4	4	4	4	4	4	4	4	4	4	4	4	
Average salary & wages(1)	\$ 55,358	\$ 56,863	\$ 42,971	\$ 60,124	\$ 82,470	\$ 69,770	\$ 82,422	\$ 86,544	\$ 86,544	\$ 88,707	\$ 90,925	\$ 93,198	\$ 95,062	\$ 96,963	\$ 98,902	\$ 100,881	
Average overtime	-	38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	\$ 55,358	\$ 56,901	\$ 42,971	\$ 60,124	\$ 82,470	\$ 69,770	\$ 82,422	\$ 86,544	\$ 86,544	\$ 88,707	\$ 90,925	\$ 93,198	\$ 95,062	\$ 96,963	\$ 98,902	\$ 100,881	
Overtime as a % of salary & wages	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Pension as a % of salary & wages						10.0%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%	
Medical & fringe as a % of salary & wage	53.9%	42.8%	43.5%	50.2%	55.5%	66.3%	33.0%	32.3%	33.2%	33.8%	34.4%	35.0%	35.4%	35.9%	36.4%	36.8%	

Key Items	Comment/Reference
Revenues	
Sales and charges for services	Fees (Blight violation adjudication) and interagency billings
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Professional and contractual services	Information technology contracts

Operational restructuring	
Additional Department employees	-

(1) Based on department salaries & wages and employees, see Appendix C.2.

Ten-Year Financial Projections  
Homeland Security - general fund  
(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	0.0	0.0	0.0	0.1	0.0	-	-	-	-	-	-	-	-	-	-	-
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	1.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	0.3	1.0	2.2	2.8	3.2	2.4	2.1	2.1	2.1	2.2	2.2	2.2	2.2	2.3	2.3	2.3
<b>Total revenues</b>	<b>1.7</b>	<b>1.0</b>	<b>2.2</b>	<b>2.9</b>	<b>3.3</b>	<b>2.4</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>
<b>Expenditures</b>																
Salaries and wages	(0.3)	(0.3)	(0.2)	(0.1)	(0.1)	-	-	-	-	-	-	-	-	-	-	-
Overtime	(0.0)	(0.5)	(0.0)	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	-	-
Pension	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	-	-
Medical & fringe benefits	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	-	-	-	-	-	-	-	-	-	-	-
Professional and contractual services	(0.0)	-	(0.1)	(0.7)	(0.8)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(2.0)	(2.0)	(2.0)	(2.0)	(2.0)
Materials & supplies	(0.8)	(0.6)	(0.4)	(1.2)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)	(0.3)
Utilities	0.0	(0.0)	(0.0)	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Purchased services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(0.8)	(0.1)	(1.6)	(0.8)	(2.4)	(2.4)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(2.2)</b>	<b>(1.7)</b>	<b>(2.4)</b>	<b>(2.9)</b>	<b>(3.5)</b>	<b>(4.5)</b>	<b>(2.1)</b>	<b>(2.1)</b>	<b>(2.1)</b>	<b>(2.2)</b>	<b>(2.2)</b>	<b>(2.2)</b>	<b>(2.2)</b>	<b>(2.2)</b>	<b>(2.3)</b>	<b>(2.3)</b>
<b>Total surplus (deficit)</b>	<b>\$ (0.5)</b>	<b>\$ (0.7)</b>	<b>\$ (0.2)</b>	<b>\$ (0.0)</b>	<b>\$ (0.3)</b>	<b>\$ (2.0)</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>																
Additional operating expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (2.0)</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	5	5	1	2	2	1	-	-	-	-	-	-	-	-	-	-
Average salary & wages(1)	\$ 67,938	\$ 69,172	\$ 185,204	\$ 69,322	\$ 73,932	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Average overtime	2,699	90,636	254	583	1,297	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	\$ 70,637	\$ 159,808	\$ 185,458	\$ 69,905	\$ 75,229	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Overtime as a % of salary & wages	4.0%	131.0%	0.1%	0.8%	1.8%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pension as a % of salary & wages						n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Medical & fringe as a % of salary & wage	40.1%	36.7%	59.1%	40.8%	49.9%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Key Items	Comment/Reference
Revenues	
Grant revenue	Federal grant proceeds
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Professional and contractual services	Urban Area Security initiative
Other expenses	FY 2012 and FY 2013 include capital outlays, which will not persist
Operational restructuring	
Additional Department employees	n/a n/a n/a n/a n/a n/a n/a n/a n/a n/a n/a

(1) Based on department salaries & wages and employees, see Appendix C.2.



## Ten-Year Financial Projections

## General Services - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	1.7	1.9	5.4	0.7	1.3	0.9	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Revenue from use of assets	(0.0)	-	0.8	1.0	1.2	1.7	8.2	3.4	3.4	3.4	1.7	1.7	1.7	1.7	1.7	1.7
Parking/court fines and other revenue	5.6	5.3	0.2	4.7	5.6	4.7	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6	4.6
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	1.6	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	5.3	3.2	1.3	2.5	4.8	5.1	5.1	-	-	-	-	-	-	-	-	-
Grant revenue	-	0.0	0.2	4.6	3.5	1.4	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8
<b>Total revenues</b>	<b>12.6</b>	<b>10.4</b>	<b>7.8</b>	<b>15.1</b>	<b>16.3</b>	<b>13.7</b>	<b>20.9</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>	<b>9.3</b>	<b>9.4</b>	<b>9.4</b>	<b>9.4</b>	<b>9.4</b>	<b>9.4</b>
<b>Expenditures</b>																
Salaries and wages	(21.0)	(20.4)	(17.5)	(16.2)	(12.0)	(9.1)	(10.0)	(9.6)	(9.6)	(9.8)	(10.0)	(10.3)	(10.5)	(10.7)	(10.9)	(11.1)
Overtime	(2.9)	(2.2)	(2.3)	(2.8)	(2.7)	(2.1)	(2.3)	(2.2)	(2.2)	(2.3)	(2.3)	(2.4)	(2.4)	(2.5)	(2.5)	(2.6)
Pension	(2.3)	(1.7)	(1.3)	(2.2)	(1.6)	(1.3)	(6.3)	(6.9)	(8.0)	(8.9)	(9.9)	(10.4)	(10.9)	(11.4)	(11.9)	(12.4)
Medical & fringe benefits	(12.1)	(11.1)	(10.5)	(10.4)	(9.6)	(9.0)	(8.7)	(8.6)	(8.9)	(9.3)	(9.8)	(10.3)	(10.7)	(11.2)	(11.7)	(12.2)
Professional and contractual services	(11.7)	(13.1)	(10.9)	(11.6)	(9.5)	(8.1)	(8.1)	(7.9)	(8.0)	(8.1)	(8.1)	(8.2)	(8.3)	(8.4)	(8.5)	(8.6)
Materials & supplies	(22.2)	(10.6)	(11.2)	(12.1)	(10.8)	(10.1)	(10.1)	(6.8)	(6.9)	(7.0)	(7.1)	(7.1)	(7.2)	(7.3)	(7.3)	(7.4)
Utilities	(0.2)	(0.5)	(0.8)	(1.4)	(1.0)	(0.9)	(0.9)	(0.7)	(0.7)	(0.7)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)
Purchased services	(2.5)	(1.7)	(1.9)	(1.2)	(1.2)	(0.9)	(0.9)	(0.9)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Risk management and insurance	-	-	-	-	(0.2)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)
Other expenses	(0.3)	(0.5)	(0.4)	(5.4)	(3.4)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.9)	(0.9)	(0.9)
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(2.6)	(2.7)	(2.9)	(3.2)	(3.4)	(4.2)	(4.5)	(4.3)	(4.5)	(4.6)	(4.8)	(4.7)	(4.7)	(4.7)	(4.7)	(4.7)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(77.7)</b>	<b>(64.6)</b>	<b>(59.8)</b>	<b>(66.5)</b>	<b>(55.3)</b>	<b>(46.9)</b>	<b>(53.0)</b>	<b>(49.2)</b>	<b>(51.0)</b>	<b>(52.9)</b>	<b>(55.0)</b>	<b>(56.4)</b>	<b>(57.8)</b>	<b>(59.2)</b>	<b>(60.7)</b>	<b>(62.1)</b>
<b>Total surplus (deficit)</b>	<b>\$ (65.0)</b>	<b>\$ (54.1)</b>	<b>\$ (51.9)</b>	<b>\$ (51.4)</b>	<b>\$ (39.0)</b>	<b>\$ (33.2)</b>	<b>\$ (32.1)</b>	<b>\$ (38.2)</b>	<b>\$ (40.0)</b>	<b>\$ (41.9)</b>	<b>\$ (45.6)</b>	<b>\$ (47.0)</b>	<b>\$ (48.4)</b>	<b>\$ (49.9)</b>	<b>\$ (51.4)</b>	<b>\$ (52.7)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ 1.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1
<b>Expenses</b>																
Additional operating expenditures	-	(2.1)	(8.5)	(13.5)	(13.6)	(13.8)	(14.0)	(14.1)	(14.2)	(14.4)	(14.5)	(14.6)	(14.7)	(14.8)	(14.9)	(15.0)
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	(3.8)	(12.7)	(8.9)	(7.3)	(5.1)	(4.9)	(4.9)	(5.1)	(5.0)	(5.0)	(5.1)	(5.1)	(5.1)	(5.1)	(5.1)
Implementation costs	(0.0)	-	(0.4)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>(0.0)</b>	<b>(5.9)</b>	<b>(21.5)</b>	<b>(22.3)</b>	<b>(20.9)</b>	<b>(18.9)</b>	<b>(18.8)</b>	<b>(18.8)</b>	<b>(19.0)</b>	<b>(19.3)</b>	<b>(19.4)</b>	<b>(19.4)</b>	<b>(19.4)</b>	<b>(19.4)</b>	<b>(19.4)</b>	<b>(19.5)</b>
<b>Operational restructuring</b>	<b>\$ (0.0)</b>	<b>\$ (4.8)</b>	<b>\$ (19.4)</b>	<b>\$ (20.2)</b>	<b>\$ (18.8)</b>	<b>\$ (16.7)</b>	<b>\$ (16.7)</b>	<b>\$ (16.7)</b>	<b>\$ (16.8)</b>	<b>\$ (17.2)</b>	<b>\$ (17.2)</b>	<b>\$ (17.2)</b>	<b>\$ (17.2)</b>	<b>\$ (17.2)</b>	<b>\$ (17.2)</b>	<b>\$ (17.4)</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (33.2)</b>	<b>\$ (36.9)</b>	<b>\$ (57.6)</b>	<b>\$ (60.2)</b>	<b>\$ (60.7)</b>	<b>\$ (62.3)</b>	<b>\$ (63.7)</b>	<b>\$ (65.3)</b>	<b>\$ (67.0)</b>	<b>\$ (68.6)</b>	<b>\$ (70.1)</b>	<b>\$ (71.4)</b>	<b>\$ (72.7)</b>	<b>\$ (74.0)</b>	<b>\$ (75.3)</b>	<b>\$ (76.6)</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	676	528	481	447	343	298	298	272	272	272	272	272	272	272	272	272
Average salary & wages(1)	\$ 31,804	\$ 39,503	\$ 36,473	\$ 36,309	\$ 34,874	\$ 30,695	\$ 33,501	\$ 35,176	\$ 35,176	\$ 36,056	\$ 36,957	\$ 37,881	\$ 38,639	\$ 39,412	\$ 40,200	\$ 41,004
Average overtime	4,326	4,194	4,758	6,245	7,778	7,045	7,689	8,073	8,073	8,275	8,482	8,694	8,868	9,045	9,226	9,410
	\$ 36,130	\$ 43,697	\$ 41,231	\$ 42,554	\$ 42,652	\$ 37,740	\$ 41,190	\$ 43,249	\$ 43,249	\$ 44,331	\$ 45,439	\$ 46,575	\$ 47,506	\$ 48,457	\$ 49,426	\$ 50,414
Overtime as a % of salary & wages	13.9%	10.8%	13.1%	17.2%	22.3%	22.9%	22.9%	22.9%	22.9%	22.9%	22.9%	22.9%	22.9%	22.9%	22.9%	22.9%
Pension as a % of salary & wages						13.9%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%
Medical & fringe as a % of salary & wage	57.6%	54.3%	59.7%	64.3%	80.2%	98.3%	86.7%	89.8%	93.0%	95.1%	97.2%	99.7%	102.0%	104.6%	106.8%	109.1%

Key Items	Comment/Reference
Revenues	
Sales and charges for services	Interagency billings
Revenue from use of assets	Internal real estate rentals; FY 2014 includes the proceeds from sale of the Veteran's building; FY 2015 - FY2017 include receipt of \$5m settlement from the Red Wings/Joe Louis facility for past-due payments
Parking/court fines and other revenue	Revenues for fleet management services
Street fund reimb. and financing proceeds	Reimbursement from street funds for GSD services provided to solid waste; revenue are associated expenses are eliminated with the assumed outsourcing of solid waste beginning FY 2015
Grant revenue	Federal grant proceeds
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Professional and contractual services	Security expenses and inventory management
Materials & supplies	Fuels & lubricant and repairs & maintenance
Utilities	Primarily electricity
Purchased services	Court building operating expense
Other expenses	Primarily capital outlays
Operational restructuring	
Additional Department employees	- 112 112 112 112 112 112 112 112 112 112

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

Auditor General - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	-	0.0	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	0.0	0.0	0.0	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Expenditures</b>																
Salaries and wages	(1.0)	(1.2)	(1.1)	(1.0)	(0.9)	(0.8)	(1.1)	(1.1)	(1.1)	(1.2)	(1.2)	(1.2)	(1.2)	(1.3)	(1.3)	(1.3)
Overtime	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Pension	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.7)	(0.8)	(0.9)	(1.1)	(1.2)	(1.2)	(1.3)	(1.4)	(1.4)	(1.5)
Medical & fringe benefits	(0.4)	(0.5)	(0.4)	(0.4)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)	(0.7)	(0.7)	(0.7)	(0.8)	(0.8)	(0.8)	(0.9)
Professional and contractual services	(2.7)	(3.5)	(5.7)	(1.3)	(1.8)	(1.6)	(1.6)	(1.7)	(1.7)	(1.7)	(1.7)	(1.7)	(1.7)	(1.8)	(1.8)	(1.8)
Materials & supplies	(0.0)	(0.0)	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Utilities	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Purchased services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk management and insurance	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Debt service	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.2)	(0.2)	(0.2)	(0.3)	(0.3)	(0.2)	(0.5)	(0.5)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(4.5)</b>	<b>(5.6)</b>	<b>(7.6)</b>	<b>(3.1)</b>	<b>(3.6)</b>	<b>(3.6)</b>	<b>(4.7)</b>	<b>(5.0)</b>	<b>(5.2)</b>	<b>(5.4)</b>	<b>(5.6)</b>	<b>(5.7)</b>	<b>(5.9)</b>	<b>(6.0)</b>	<b>(6.1)</b>	<b>(6.3)</b>
<b>Total surplus (deficit)</b>	<b>\$ (4.5)</b>	<b>\$ (5.5)</b>	<b>\$ (7.6)</b>	<b>\$ (3.1)</b>	<b>\$ (3.6)</b>	<b>\$ (3.6)</b>	<b>\$ (4.7)</b>	<b>\$ (5.0)</b>	<b>\$ (5.2)</b>	<b>\$ (5.4)</b>	<b>\$ (5.6)</b>	<b>\$ (5.7)</b>	<b>\$ (5.9)</b>	<b>\$ (6.0)</b>	<b>\$ (6.1)</b>	<b>\$ (6.3)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>																
Additional operating expenditures	-	-	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)	(0.5)
Technology	-	-	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>-</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(0.5)</b>	<b>(0.6)</b>	<b>(0.5)</b>	<b>(0.5)</b>	<b>(0.5)</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (0.4)</b>	<b>\$ (0.4)</b>	<b>\$ (0.4)</b>	<b>\$ (0.4)</b>	<b>\$ (0.4)</b>	<b>\$ (0.4)</b>	<b>\$ (0.4)</b>	<b>\$ (0.4)</b>	<b>\$ (0.4)</b>	<b>\$ (0.5)</b>	<b>\$ (0.6)</b>	<b>\$ (0.5)</b>	<b>\$ (0.5)</b>	<b>\$ (0.5)</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (3.6)</b>	<b>\$ (4.7)</b>	<b>\$ (5.4)</b>	<b>\$ (5.6)</b>	<b>\$ (5.8)</b>	<b>\$ (6.0)</b>	<b>\$ (6.2)</b>	<b>\$ (6.4)</b>	<b>\$ (6.5)</b>	<b>\$ (6.6)</b>	<b>\$ (6.8)</b>	<b>\$ (6.9)</b>	<b>\$ (7.1)</b>	<b>\$ (7.2)</b>	<b>\$ (7.3)</b>	<b>\$ (7.5)</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	21	18	17	15	12	14	17	17	17	17	17	17	17	17	17	17
Average salary & wages(1)	\$ 48,165	\$ 65,138	\$ 63,262	\$ 66,940	\$ 73,255	\$ 62,503	\$ 65,304	\$ 68,569	\$ 68,569	\$ 70,283	\$ 72,041	\$ 73,842	\$ 75,318	\$ 76,825	\$ 78,361	\$ 79,928
Average overtime	2,379	2,325	752	1,373	1,781	1,531	1,600	1,680	1,680	1,722	1,765	1,809	1,845	1,882	1,919	1,958
	\$ 50,544	\$ 67,463	\$ 64,014	\$ 68,313	\$ 75,036	\$ 64,034	\$ 66,904	\$ 70,249	\$ 70,249	\$ 72,005	\$ 73,805	\$ 75,650	\$ 77,163	\$ 78,706	\$ 80,281	\$ 81,886
Overtime as a % of salary & wages	4.9%	3.6%	1.2%	2.1%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
Pension as a % of salary & wages						8.5%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%
Medical & fringe as a % of salary & wage	42.5%	38.8%	40.3%	44.8%	53.0%	62.5%	56.0%	55.3%	57.0%	58.1%	59.2%	60.6%	61.8%	63.2%	64.4%	65.6%

Key Items	Comment/Reference
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Professional and contractual services	Auditing

Operational restructuring																
Additional Department employees	-	-	4	4	4	4	4	4	4	4	4	4	4	4	4	4

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

## Zoning - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
<b>Expenditures</b>																
Salaries and wages	(0.5)	(0.4)	(0.4)	(0.4)	(0.4)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Overtime	-	-	(0.0)	-	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Pension	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)
Medical & fringe benefits	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)
Professional and contractual services	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Materials & supplies	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Utilities	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Purchased services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(0.1)	(0.1)	(0.1)	(0.0)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Debt service	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(0.8)</b>	<b>(0.8)</b>	<b>(0.8)</b>	<b>(0.8)</b>	<b>(0.7)</b>	<b>(0.7)</b>	<b>(1.0)</b>	<b>(1.0)</b>	<b>(1.1)</b>	<b>(1.1)</b>	<b>(1.2)</b>	<b>(1.2)</b>	<b>(1.3)</b>	<b>(1.3)</b>	<b>(1.4)</b>	<b>(1.4)</b>
<b>Total surplus (deficit)</b>	<b>\$ (0.7)</b>	<b>\$ (0.7)</b>	<b>\$ (0.7)</b>	<b>\$ (0.7)</b>	<b>\$ (0.7)</b>	<b>\$ (0.7)</b>	<b>\$ (0.9)</b>	<b>\$ (0.9)</b>	<b>\$ (1.0)</b>	<b>\$ (1.0)</b>	<b>\$ (1.1)</b>	<b>\$ (1.1)</b>	<b>\$ (1.2)</b>	<b>\$ (1.2)</b>	<b>\$ (1.2)</b>	<b>\$ (1.3)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Expenses</u>																
Additional operating expenditures	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (0.7)</b>	<b>\$ (0.9)</b>	<b>\$ (0.9)</b>	<b>\$ (1.0)</b>	<b>\$ (1.0)</b>	<b>\$ (1.1)</b>	<b>\$ (1.1)</b>	<b>\$ (1.2)</b>	<b>\$ (1.2)</b>	<b>\$ (1.3)</b>	<b>\$ (1.3)</b>	<b>\$ (1.4)</b>	<b>\$ (1.4)</b>	<b>\$ (1.5)</b>	<b>\$ (1.5)</b>	<b>\$ (1.6)</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	16	15	15	15	12	11	11	11	11	11	11	11	11	11	11	11
Average salary & wages(1)	\$ 28,828	\$ 29,822	\$ 29,517	\$ 27,705	\$ 29,516	\$ 25,120	\$ 25,120	\$ 26,376	\$ 26,376	\$ 27,035	\$ 27,711	\$ 28,404	\$ 28,972	\$ 29,551	\$ 30,142	\$ 30,745
Average overtime	-	-	0	-	-	2	2	2	2	2	2	2	2	2	2	2
	\$ 28,828	\$ 29,822	\$ 29,517	\$ 27,705	\$ 29,516	\$ 25,121	\$ 25,121	\$ 26,378	\$ 26,378	\$ 27,037	\$ 27,713	\$ 28,406	\$ 28,974	\$ 29,553	\$ 30,144	\$ 30,747
Overtime as a % of salary & wages	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pension as a % of salary & wages						8.4%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%
Medical & fringe as a % of salary & wage	39.9%	36.7%	39.2%	44.6%	51.5%	83.8%	97.2%	95.3%	99.0%	101.4%	103.9%	106.7%	109.0%	111.7%	114.1%	116.5%

Key Items	Comment/Reference
Revenues	
Sales and charges for services	Charged fees
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3

Operational restructuring																
Additional Department employees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

## City Council - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	-	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from use of assets	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	0.0	(0.0)	0.0	0.0	0.2	0.1	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	(0.0)	-	0.0	-	0.0	0.1	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>																
Salaries and wages	(5.8)	(6.0)	(5.3)	(4.1)	(3.4)	(2.9)	(0.6)	(0.7)	(0.7)	(0.7)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)
Overtime	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pension	(0.5)	(0.4)	(0.6)	(0.6)	(0.4)	(0.3)	(0.4)	(0.5)	(0.6)	(0.7)	(0.7)	(0.8)	(0.8)	(0.9)	(0.9)	(0.9)
Medical & fringe benefits	(2.6)	(2.5)	(2.5)	(2.2)	(2.4)	(2.2)	(1.6)	(1.7)	(1.7)	(1.8)	(1.9)	(2.0)	(2.1)	(2.2)	(2.3)	(2.4)
Professional and contractual services	(2.4)	(2.1)	(2.1)	(3.5)	(3.7)	(3.0)	(5.0)	(5.1)	(5.1)	(5.2)	(5.2)	(5.3)	(5.3)	(5.4)	(5.4)	(5.5)
Materials & supplies	(0.1)	(0.2)	(0.3)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Utilities	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Purchased services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk management and insurance	-	-	0.0	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(1.4)	(0.9)	(0.7)	(0.6)	(0.6)	(0.7)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)
Debt service	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.7)	(0.7)	(0.8)	(0.9)	(0.9)	(1.0)	(0.3)	(0.3)	(0.3)	(0.3)	(0.4)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)
Transfers out	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(13.6)</b>	<b>(13.0)</b>	<b>(12.4)</b>	<b>(12.2)</b>	<b>(11.7)</b>	<b>(10.2)</b>	<b>(8.6)</b>	<b>(9.0)</b>	<b>(9.2)</b>	<b>(9.5)</b>	<b>(9.7)</b>	<b>(9.9)</b>	<b>(10.1)</b>	<b>(10.3)</b>	<b>(10.5)</b>	<b>(10.7)</b>
<b>Total surplus (deficit)</b>	<b>\$ (13.6)</b>	<b>\$ (13.0)</b>	<b>\$ (12.4)</b>	<b>\$ (12.2)</b>	<b>\$ (11.5)</b>	<b>\$ (10.1)</b>	<b>\$ (8.6)</b>	<b>\$ (9.0)</b>	<b>\$ (9.2)</b>	<b>\$ (9.5)</b>	<b>\$ (9.7)</b>	<b>\$ (9.9)</b>	<b>\$ (10.1)</b>	<b>\$ (10.3)</b>	<b>\$ (10.5)</b>	<b>\$ (10.7)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>																
Additional operating expenditures	-	0.0	0.4	0.4	0.4	-	0.0	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Technology	-	-	(0.1)	(0.0)	(0.0)	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>0.0</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>-</b>	<b>0.0</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ 0.0</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ -</b>	<b>\$ 0.0</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (10.1)</b>	<b>\$ (8.6)</b>	<b>\$ (8.6)</b>	<b>\$ (8.8)</b>	<b>\$ (9.0)</b>	<b>\$ (9.3)</b>	<b>\$ (9.5)</b>	<b>\$ (9.7)</b>	<b>\$ (9.9)</b>	<b>\$ (10.1)</b>	<b>\$ (10.3)</b>	<b>\$ (10.5)</b>	<b>\$ (10.7)</b>	<b>\$ (10.9)</b>	<b>\$ (11.1)</b>	<b>\$ (11.3)</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	90	97	74	61	52	46	9	10	10	10	10	10	10	10	10	10
Average salary & wages(1)	\$ 64,504	\$ 61,899	\$ 71,166	\$ 67,902	\$ 66,094	\$ 63,205	\$ 68,378	\$ 71,500	\$ 71,500	\$ 73,288	\$ 75,120	\$ 76,998	\$ 78,538	\$ 80,108	\$ 81,711	\$ 83,345
Average overtime	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 64,504	\$ 61,899	\$ 71,166	\$ 67,902	\$ 66,094	\$ 63,205	\$ 68,378	\$ 71,500	\$ 71,500	\$ 73,288	\$ 75,120	\$ 76,998	\$ 78,538	\$ 80,108	\$ 81,711	\$ 83,345
Overtime as a % of salary & wages	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pension as a % of salary & wages						10.9%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%
Medical & fringe as a % of salary & wage	44.9%	41.5%	48.0%	54.0%	71.1%	76.1%	247.3%	232.0%	239.6%	244.4%	248.6%	255.7%	263.0%	271.4%	278.5%	285.6%

Key Items	Comment/Reference
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Professional and contractual services	Support staff personal service contracts and other City Council member's office expenses, media services, and board of review
Other expenses	Primarily rental expense

Operational restructuring																
Additional Department employees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(1) Based on department salaries & wages and employees, see Appendix C.2.



## Ten-Year Financial Projections

Ombudsperson - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	0.0	-	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>																
Salaries and wages	(0.7)	(0.8)	(0.8)	(0.6)	(0.6)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)
Overtime	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pension	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.3)	(0.4)	(0.4)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)	(0.7)	(0.7)
Medical & fringe benefits	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)	(0.6)
Professional and contractual services	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Materials & supplies	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Utilities	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Purchased services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk management and insurance	-	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(0.1)	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Debt service	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(1.4)</b>	<b>(1.4)</b>	<b>(1.3)</b>	<b>(1.1)</b>	<b>(1.1)</b>	<b>(0.9)</b>	<b>(1.5)</b>	<b>(1.7)</b>	<b>(1.7)</b>	<b>(1.8)</b>	<b>(1.9)</b>	<b>(2.0)</b>	<b>(2.1)</b>	<b>(2.1)</b>	<b>(2.2)</b>	<b>(2.3)</b>
<b>Total surplus (deficit)</b>	<b>\$ (1.4)</b>	<b>\$ (1.4)</b>	<b>\$ (1.3)</b>	<b>\$ (1.1)</b>	<b>\$ (1.1)</b>	<b>\$ (0.9)</b>	<b>\$ (1.5)</b>	<b>\$ (1.7)</b>	<b>\$ (1.7)</b>	<b>\$ (1.8)</b>	<b>\$ (1.9)</b>	<b>\$ (2.0)</b>	<b>\$ (2.1)</b>	<b>\$ (2.1)</b>	<b>\$ (2.2)</b>	<b>\$ (2.3)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>																
Additional operating expenditures	-	-	(0.6)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)
Technology	-	-	(3.0)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>-</b>	<b>(3.6)</b>	<b>(1.5)</b>	<b>(1.5)</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>(1.7)</b>	<b>(1.7)</b>	<b>(1.7)</b>	<b>(1.7)</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (3.6)</b>	<b>\$ (1.5)</b>	<b>\$ (1.5)</b>	<b>\$ (1.6)</b>	<b>\$ (1.6)</b>	<b>\$ (1.6)</b>	<b>\$ (1.6)</b>	<b>\$ (1.6)</b>	<b>\$ (1.6)</b>	<b>\$ (1.6)</b>	<b>\$ (1.7)</b>	<b>\$ (1.7)</b>	<b>\$ (1.7)</b>	<b>\$ (1.7)</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (0.9)</b>	<b>\$ (1.5)</b>	<b>\$ (5.3)</b>	<b>\$ (3.3)</b>	<b>\$ (3.4)</b>	<b>\$ (3.5)</b>	<b>\$ (3.6)</b>	<b>\$ (3.7)</b>	<b>\$ (3.8)</b>	<b>\$ (3.9)</b>	<b>\$ (4.0)</b>					

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	10	11	11	7	7	6	6	6	6	6	6	6	6	6	6	6
Average salary & wages(1)	\$ 73,193	\$ 75,227	\$ 69,371	\$ 82,534	\$ 79,133	\$ 72,256	\$ 81,064	\$ 85,117	\$ 85,117	\$ 87,245	\$ 89,426	\$ 91,662	\$ 93,495	\$ 95,365	\$ 97,272	\$ 99,217
Average overtime	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 73,193	\$ 75,227	\$ 69,371	\$ 82,534	\$ 79,133	\$ 72,256	\$ 81,064	\$ 85,117	\$ 85,117	\$ 87,245	\$ 89,426	\$ 91,662	\$ 93,495	\$ 95,365	\$ 97,272	\$ 99,217
Overtime as a % of salary & wages	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pension as a % of salary & wages						6.2%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%
Medical & fringe as a % of salary & wage	41.2%	37.6%	40.8%	45.5%	51.7%	65.8%	84.7%	84.4%	87.0%	88.6%	90.2%	92.5%	94.7%	97.3%	99.4%	101.6%

Key Items	Comment/Reference
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3

Operational restructuring																
Additional Department employees	-	-		13	20	20	20	20	20	20	20	20	20	20	20	20

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

City Clerk - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Expenditures</b>																
Salaries and wages	(1.2)	(1.2)	(1.1)	(0.9)	(0.9)	(0.6)	(0.7)	(0.7)	(0.7)	(0.7)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)
Overtime	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Pension	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.5)	(0.6)	(0.7)	(0.7)	(0.8)	(0.8)	(0.9)	(0.9)	(0.9)
Medical & fringe benefits	(0.6)	(0.5)	(0.5)	(0.4)	(0.5)	(0.5)	(0.8)	(0.9)	(0.9)	(0.9)	(1.0)	(1.0)	(1.1)	(1.1)	(1.2)	(1.2)
Professional and contractual services	(0.0)	(0.0)	(0.0)	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)
Materials & supplies	(0.9)	(0.6)	(0.5)	(0.5)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Utilities	(0.0)	(0.1)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Purchased services	(0.0)	0.0	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(0.5)	(0.5)	(0.5)	(0.4)	(0.7)	(0.3)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.6)
Debt service	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(3.6)</b>	<b>(3.1)</b>	<b>(2.9)</b>	<b>(2.6)</b>	<b>(2.7)</b>	<b>(2.2)</b>	<b>(3.2)</b>	<b>(3.3)</b>	<b>(3.5)</b>	<b>(3.6)</b>	<b>(3.8)</b>	<b>(3.9)</b>	<b>(4.0)</b>	<b>(4.1)</b>	<b>(4.2)</b>	<b>(4.3)</b>
<b>Total surplus (deficit)</b>	<b>\$ (3.6)</b>	<b>\$ (3.1)</b>	<b>\$ (2.9)</b>	<b>\$ (2.6)</b>	<b>\$ (2.7)</b>	<b>\$ (2.2)</b>	<b>\$ (3.2)</b>	<b>\$ (3.3)</b>	<b>\$ (3.5)</b>	<b>\$ (3.6)</b>	<b>\$ (3.8)</b>	<b>\$ (3.9)</b>	<b>\$ (4.0)</b>	<b>\$ (4.1)</b>	<b>\$ (4.2)</b>	<b>\$ (4.3)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>																
Additional operating expenditures	-	(0.3)	(0.4)	(0.1)	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>(0.3)</b>	<b>(0.4)</b>	<b>(0.1)</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ (0.3)</b>	<b>\$ (0.4)</b>	<b>\$ (0.1)</b>	<b>\$ 0.2</b>	<b>\$ 0.2</b>	<b>\$ 0.2</b>	<b>\$ 0.2</b>	<b>\$ 0.2</b>	<b>\$ 0.2</b>	<b>\$ 0.2</b>	<b>\$ 0.2</b>	<b>\$ 0.2</b>	<b>\$ 0.2</b>	<b>\$ 0.2</b>	<b>\$ 0.2</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (2.2)</b>	<b>\$ (3.5)</b>	<b>\$ (3.8)</b>	<b>\$ (3.6)</b>	<b>\$ (3.4)</b>	<b>\$ (3.5)</b>	<b>\$ (3.6)</b>	<b>\$ (3.8)</b>	<b>\$ (3.9)</b>	<b>\$ (4.0)</b>	<b>\$ (4.1)</b>	<b>\$ (4.2)</b>	<b>\$ (4.3)</b>	<b>\$ (4.4)</b>	<b>\$ (4.5)</b>	<b>\$ (4.6)</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	25	23	22	20	18	15	15	15	15	15	15	15	15	15	15	15
Average salary & wages(1)	\$ 48,947	\$ 53,794	\$ 48,633	\$ 46,038	\$ 48,336	\$ 42,763	\$ 46,300	\$ 48,615	\$ 48,615	\$ 49,831	\$ 51,076	\$ 52,353	\$ 53,400	\$ 54,468	\$ 55,558	\$ 56,669
Average overtime	26	115	119	85	13	22	24	25	25	26	26	27	28	28	29	29
	\$ 48,973	\$ 53,909	\$ 48,752	\$ 46,123	\$ 48,349	\$ 42,785	\$ 46,324	\$ 48,640	\$ 48,640	\$ 49,856	\$ 51,103	\$ 52,380	\$ 53,428	\$ 54,497	\$ 55,587	\$ 56,698
Overtime as a % of salary & wages	0.1%	0.2%	0.2%	0.2%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Pension as a % of salary & wages						13.2%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%
Medical & fringe as a % of salary & wage	48.7%	40.5%	44.4%	48.0%	57.8%	75.5%	119.7%	119.0%	123.0%	125.6%	128.0%	131.4%	134.8%	138.6%	141.9%	145.2%

Key Items	Comment/Reference
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Materials & supplies	Printing supplies
Other expenses	Advertising and rental expenses
Operational restructuring	
Additional Department employees	- - (3) (3) (3) (3) (3) (3) (3) (3)

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

## Elections - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	1.2	0.0	0.0	0.0	0.0	1.1	-	-	-	-	-	-	-	-	-	-
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	0.0	0.0	-	-	-	0.1	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>1.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>																
Salaries and wages	(2.7)	(3.4)	(2.4)	(2.1)	(2.0)	(1.9)	(2.2)	(1.8)	(1.8)	(1.8)	(1.9)	(1.9)	(1.9)	(2.0)	(2.0)	(2.1)
Overtime	(0.5)	(0.8)	(0.3)	(0.4)	(0.2)	(0.4)	(0.5)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Pension	0.1	0.0	0.2	0.2	0.2	(0.2)	(1.4)	(1.3)	(1.5)	(1.6)	(1.8)	(1.9)	(2.0)	(2.1)	(2.2)	(2.3)
Medical & fringe benefits	(1.4)	(1.5)	(1.3)	(1.3)	(1.2)	(1.4)	(2.0)	(1.8)	(1.9)	(2.0)	(2.1)	(2.2)	(2.3)	(2.4)	(2.5)	(2.6)
Professional and contractual services	(4.2)	(6.5)	(3.4)	(2.9)	(2.5)	(3.3)	(6.1)	(3.3)	(3.3)	(3.3)	(6.6)	(3.3)	(3.3)	(3.3)	(6.6)	(3.3)
Materials & supplies	(0.6)	(0.5)	(0.3)	(0.5)	(0.7)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Utilities	(0.3)	(0.4)	(0.4)	(0.2)	(0.3)	(0.1)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Purchased services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(0.4)	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Debt service	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.7)	(0.7)	(0.8)	(0.8)	(0.9)	(0.6)	(1.0)	(0.8)	(0.8)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(10.8)</b>	<b>(14.1)</b>	<b>(8.7)</b>	<b>(8.0)</b>	<b>(7.6)</b>	<b>(8.5)</b>	<b>(14.2)</b>	<b>(10.1)</b>	<b>(10.4)</b>	<b>(10.7)</b>	<b>(14.4)</b>	<b>(11.3)</b>	<b>(11.6)</b>	<b>(11.8)</b>	<b>(15.4)</b>	<b>(12.3)</b>
<b>Total surplus (deficit)</b>	<b>\$ (9.7)</b>	<b>\$ (14.0)</b>	<b>\$ (8.7)</b>	<b>\$ (8.0)</b>	<b>\$ (7.6)</b>	<b>\$ (7.3)</b>	<b>\$ (14.2)</b>	<b>\$ (10.1)</b>	<b>\$ (10.4)</b>	<b>\$ (10.7)</b>	<b>\$ (14.4)</b>	<b>\$ (11.3)</b>	<b>\$ (11.6)</b>	<b>\$ (11.8)</b>	<b>\$ (15.4)</b>	<b>\$ (12.3)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Expenses</u>																
Additional operating expenditures	-	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Technology	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	-	-	(0.4)	(0.6)	(0.6)	(0.3)	-	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>0.0</b>	<b>0.1</b>	<b>(0.3)</b>	<b>(0.6)</b>	<b>(0.2)</b>	<b>0.0</b>	<b>(0.5)</b>	<b>(0.5)</b>	<b>(0.5)</b>	<b>(0.5)</b>	<b>(0.5)</b>	<b>(0.5)</b>	<b>(0.5)</b>	<b>(0.5)</b>	<b>(0.5)</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ 0.0</b>	<b>\$ 0.1</b>	<b>\$ (0.3)</b>	<b>\$ (0.6)</b>	<b>\$ (0.2)</b>	<b>\$ 0.0</b>	<b>\$ (0.5)</b>	<b>\$ (0.5)</b>	<b>\$ (0.5)</b>	<b>\$ (0.5)</b>	<b>\$ (0.5)</b>	<b>\$ (0.5)</b>	<b>\$ (0.5)</b>	<b>\$ (0.5)</b>	<b>\$ (0.5)</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ (7.3)</b>	<b>\$ (14.2)</b>	<b>\$ (10.0)</b>	<b>\$ (10.7)</b>	<b>\$ (11.3)</b>	<b>\$ (14.6)</b>	<b>\$ (11.3)</b>	<b>\$ (12.0)</b>	<b>\$ (12.3)</b>	<b>\$ (15.8)</b>	<b>\$ (12.8)</b>					

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Department employees (baseline)	68	102	55	51	83	80	80	60	60	60	60	60	60	60	60	60	
Average salary & wages(1)	\$ 39,379	\$ 33,805	\$ 44,289	\$ 40,872	\$ 23,655	\$ 24,311	\$ 27,971	\$ 29,370	\$ 29,370	\$ 30,104	\$ 30,856	\$ 31,628	\$ 32,260	\$ 32,906	\$ 33,564	\$ 34,235	
Average overtime	8,088	7,564	5,040	7,017	2,514	5,046	6,259	3,121	3,121	3,199	3,279	3,361	3,428	3,497	3,567	3,638	
	\$ 47,467	\$ 41,369	\$ 49,329	\$ 47,890	\$ 26,169	\$ 29,357	\$ 34,230	\$ 32,491	\$ 32,491	\$ 33,303	\$ 34,136	\$ 34,989	\$ 35,689	\$ 36,403	\$ 37,131	\$ 37,873	
Overtime as a % of salary & wages	20.5%	22.4%	11.4%	17.2%	10.6%	20.8%	22.4%	10.6%	10.6%	10.6%	10.6%	10.6%	10.6%	10.6%	10.6%	10.6%	
Pension as a % of salary & wages						9.1%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%	
Medical & fringe as a % of salary & wage	53.5%	43.5%	52.9%	62.6%	62.0%	73.3%	90.9%	104.5%	108.4%	110.9%	113.4%	116.5%	119.2%	122.3%	125.0%	127.7%	

Key Items	Comment/Reference
General	Due to the FY 2014 election year, overtime and professional and contractual services are temporarily increased
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Professional and contractual services	Administration of conducting elections and information technology contracts
Materials & supplies	Primarily postage
Utilities	Steam, telecommunications, and electricity
Operational restructuring	
Additional Department employees	-

(1) Based on department salaries & wages and employees, see Appendix C.2.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	0.8	0.2	0.7	0.1	0.4	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Sales and charges for services	11.2	11.1	9.2	10.1	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	7.5	7.4	6.7	6.8	6.2	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	19.6	18.7	16.6	17.1	16.6	17.6	17.6	17.6	17.6	17.6	17.6	17.6	17.6	17.6	17.6	17.6
Expenditures																
Salaries and wages	(20.9)	(21.3)	(21.0)	(19.7)	(18.7)	(18.6)	(16.7)	(17.6)	(17.6)	(18.0)	(18.4)	(18.9)	(19.3)	(19.7)	(20.1)	(20.5)
Overtime	(0.2)	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Pension	(4.1)	(4.3)	(4.7)	(4.7)	(5.1)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)
Medical & fringe benefits	(7.4)	(6.9)	(7.6)	(7.9)	(7.3)	(6.3)	(6.4)	(6.8)	(7.1)	(7.5)	(7.9)	(8.3)	(8.6)	(8.9)	(9.2)	(9.5)
Professional and contractual services	(2.3)	(2.2)	(2.2)	(2.3)	(2.2)	(2.1)	(3.0)	(3.0)	(3.1)	(3.1)	(3.1)	(3.2)	(3.2)	(3.2)	(3.3)	(3.3)
Materials & supplies	(1.0)	(1.0)	(0.9)	(0.8)	(0.5)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)
Utilities	(0.8)	(0.6)	(0.6)	(0.5)	(0.6)	(0.4)	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Purchased services	(5.0)	(4.1)	(3.8)	(3.9)	(3.0)	(0.4)	(3.9)	(4.0)	(4.0)	(4.0)	(4.1)	(4.1)	(4.2)	(4.2)	(4.2)	(4.3)
Risk management and insurance	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Other expenses	(4.1)	(4.9)	(4.1)	(3.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	(45.8)	(45.6)	(45.0)	(43.2)	(37.7)	(34.1)	(36.7)	(38.0)	(38.4)	(39.3)	(40.3)	(41.3)	(42.0)	(42.8)	(43.6)	(44.4)
Total surplus (deficit)	\$ (26.3)	\$ (26.8)	\$ (28.4)	\$ (26.2)	\$ (21.2)	\$ (16.5)	\$ (19.1)	\$ (20.4)	\$ (20.8)	\$ (21.7)	\$ (22.7)	\$ (23.7)	\$ (24.4)	\$ (25.2)	\$ (26.0)	\$ (26.8)
Operational restructuring																
Department revenue initiatives																
Expenses																
Additional operating expenditures																
Technology																
Capital expenditures and other infrastructure																
Implementation costs																
Subtotal: Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational restructuring	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjusted surplus (deficit)	\$ (16.5)	\$ (19.1)	\$ (20.4)	\$ (20.8)	\$ (21.7)	\$ (22.7)	\$ (23.7)	\$ (24.4)	\$ (25.2)	\$ (26.0)	\$ (26.8)					

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Department employees (baseline)	285	285	285	285	365	362	362	362	362	362	362	362	362	362	362	362	
Average salary & wages(1)	\$ 73,310	\$ 74,878	\$ 73,616	\$ 69,189	\$ 51,102	\$ 51,391	\$ 46,252	\$ 48,564	\$ 48,564	\$ 49,779	\$ 51,023	\$ 52,299	\$ 53,345	\$ 54,411	\$ 55,500	\$ 56,610	
Average overtime	756	1,012	786	739	458	420	378	397	397	407	417	427	436	445	453	462	
	\$ 74,067	\$ 75,891	\$ 74,403	\$ 69,928	\$ 51,559	\$ 51,811	\$ 46,630	\$ 48,961	\$ 48,961	\$ 50,185	\$ 51,440	\$ 52,726	\$ 53,780	\$ 54,856	\$ 55,953	\$ 57,072	
Overtime as a % of salary & wages	1.0%	1.4%	1.1%	1.1%	0.9%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	
Pension as a % of salary & wages						26.7%	29.6%	28.2%	28.2%	27.5%	26.9%	26.2%	25.7%	25.2%	24.7%	24.2%	
Medical & fringe as a % of salary & wage	35.4%	32.1%	36.1%	39.9%	39.0%	33.9%	38.0%	38.5%	40.3%	41.6%	43.0%	44.0%	44.7%	45.3%	46.0%	46.6%	

Key Items	Comment/Reference
Revenues	
State revenue sharing	State transferred court fines
Sales and charges for services	Court fees, including traffic, civil, real estate, and general administrative fees
Parking/court fines and other revenue	Court fines
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Professional and contractual services	Legal and other contracts (court administration)
Materials & supplies	Repairs & maintenance, postage, and office supplies
Utilities	Electricity and telecommunications
Purchased services	Court security expense

Operational restructuring  
Additional Department employees

(1) Based on department salaries & wages and employees, see Appendix C.2.



## Ten-Year Financial Projections

## Non-Departmental - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues																
Property taxes	\$ 155.2	\$ 163.7	\$ 143.0	\$ 182.7	\$ 147.8	\$ 133.6	\$ 114.9	\$ 104.2	\$ 100.1	\$ 97.2	\$ 97.1	\$ 95.2	\$ 89.6	\$ 89.5	\$ 90.1	\$ 90.7
Municipal income tax	276.5	240.8	216.5	228.3	233.0	248.0	246.4	250.4	252.1	253.8	255.5	257.1	258.7	260.9	264.1	267.3
Wagering taxes	180.4	173.0	183.3	176.9	181.4	174.6	169.9	168.2	169.9	171.6	173.3	175.0	176.8	178.5	180.3	182.1
Utility users' and other taxes	21.3	21.6	20.6	20.2	17.3	11.9	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	248.8	266.4	263.0	239.2	172.9	183.1	190.8	192.2	193.8	195.4	197.1	198.9	200.7	194.2	195.9	197.6
Sales and charges for services	62.5	61.6	50.7	64.9	56.4	54.7	51.8	51.7	52.2	52.7	53.2	53.7	54.2	54.8	55.3	55.9
Revenue from use of assets	12.9	3.7	1.3	1.6	1.0	0.4	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Parking/court fines and other revenue	26.9	26.0	24.8	37.2	6.8	3.8	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
DDOT risk mgmt reimbursement	10.8	12.9	10.0	12.1	12.1	1.6	9.9	12.1	12.1	12.1	12.1	12.1	12.1	12.1	12.1	12.1
Reimb. from parking & vehicle fund	61.6	78.8	66.7	50.1	62.3	74.0	11.9	25.4	25.5	5.1	5.1	5.1	5.1	5.1	5.1	5.1
Street fund reimb. and financing proceeds	73.6	4.7	264.1	6.0	4.3	147.7	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2
Grant revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	1,130.4	1,053.2	1,244.1	1,019.1	895.3	1,033.4	812.5	821.1	822.4	804.6	810.2	813.9	814.0	812.0	819.7	827.5
Expenditures																
Salaries and wages	(2.3)	(3.9)	(5.6)	4.7	(6.7)	(0.9)	(0.9)	(0.7)	(0.7)	(0.7)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.9)
Overtime	(0.2)	(0.2)	0.0	-	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Pension	(1.0)	(3.5)	4.4	(1.9)	(0.6)	2.3	(0.5)	(0.5)	(0.6)	(0.7)	(0.8)	(0.8)	(0.8)	(0.9)	(0.9)	(0.9)
Medical & fringe benefits	(7.1)	(19.6)	(15.4)	(9.5)	(1.1)	(8.1)	(0.4)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Professional and contractual services	(12.3)	(9.9)	(2.2)	(2.0)	(3.3)	(13.4)	(3.3)	(3.3)	(3.4)	(3.4)	(3.4)	(3.5)	(3.5)	(3.6)	(3.6)	(3.6)
Materials & supplies	(0.5)	(0.4)	(0.3)	(0.3)	(0.4)	(1.8)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Utilities	(0.3)	(0.0)	(0.2)	(0.0)	(0.1)	0.0	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Purchased services	(0.4)	(0.9)	(0.1)	(0.7)	0.0	(0.4)	(0.4)	(5.4)	(4.7)	(4.7)	(4.7)	(4.7)	(4.7)	(4.7)	(4.7)	(4.7)
Risk management and insurance	(112.4)	(96.2)	(100.4)	(104.0)	(75.2)	(104.0)	(35.2)	(43.2)	(43.6)	(44.0)	(44.5)	(44.9)	(45.4)	(45.8)	(46.3)	(46.7)
Other expenses	(48.7)	(32.4)	(32.5)	19.8	(9.1)	(21.9)	(10.8)	(10.8)	(10.8)	(10.8)	(10.9)	(10.9)	(10.9)	(10.9)	(11.0)	(11.0)
Debt service	(0.7)	(2.7)	(9.9)	(2.5)	(1.3)	(2.3)	(78.1)	(62.1)	(62.1)	(38.9)	(38.8)	(38.8)	(38.9)	(39.3)	(37.6)	(37.5)
Contributions to non-enterprise funds	(108.9)	(44.0)	(23.5)	(17.8)	(12.8)	(18.1)	(10.7)	(29.1)	(29.1)	(8.8)	(8.8)	(8.8)	(8.8)	(8.8)	(8.8)	(8.8)
POC - principal and interest1	(5.2)	(2.0)	(2.2)	(7.1)	(2.6)	(4.9)	(0.4)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Transfers out	(112.5)	(179.0)	(136.5)	(138.0)	(156.5)	(115.7)	(85.5)	(87.5)	(93.9)	(100.9)	(108.4)	(113.8)	(119.0)	(124.2)	(129.5)	(134.6)
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	(412.5)	(394.7)	(324.3)	(259.4)	(269.7)	(289.1)	(226.6)	(243.8)	(250.2)	(214.2)	(222.3)	(228.2)	(234.0)	(240.2)	(244.5)	(250.1)
Total surplus (deficit)	\$ 717.8	\$ 658.5	\$ 919.9	\$ 759.8	\$ 625.7	\$ 744.3	\$ 585.9	\$ 577.3	\$ 572.3	\$ 590.4	\$ 587.9	\$ 585.7	\$ 580.0	\$ 571.8	\$ 575.3	\$ 577.5
Operational restructuring																
Department revenue initiatives	\$ -	\$ 2.7	\$ 13.7	\$ 16.1	\$ 16.2	\$ 13.9	\$ 14.2	\$ 14.4	\$ 14.7	\$ 15.0	\$ 15.3					
Expenses																
Additional operating expenditures	-	-	0.0	0.6	0.6	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Technology	-	-	(1.6)	(0.8)	(0.4)	(0.4)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Capital expenditures and other infrastructure	-	-	(1.0)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Implementation costs	-	-	(1.0)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Subtotal: Expenses	-	-	(3.6)	(1.0)	(0.6)	(0.6)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.2)
Operational restructuring	\$ -	\$ 2.7	\$ 10.1	\$ 15.1	\$ 15.6	\$ 13.4	\$ 13.8	\$ 14.1	\$ 14.4	\$ 14.8	\$ 15.1					
Adjusted surplus (deficit)	\$ 744.3	\$ 588.6	\$ 587.5	\$ 587.4	\$ 606.0	\$ 601.3	\$ 599.6	\$ 594.1	\$ 586.2	\$ 590.0	\$ 592.5					

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Department employees (baseline)	44	33	21	20	14	21	21	17	17	17	17	17	17	17	17	17
Average salary & wages(1)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Average overtime	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Overtime as a % of salary & wages	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pension as a % of salary & wages						n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Medical & fringe as a % of salary & wage	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Key Items	Comment/Reference
Revenues	
Property taxes	Appendix B.1a
Municipal income tax	Appendix B.2
Wagering taxes	Appendix B.3
Utility users' and other taxes	Reimbursements, including cable franchise fees and interest/penalties on taxes
State revenue sharing	Appendix B.4; State shared taxes and liquor & beer license fees
Sales and charges for services	Primarily interagency billings and Casino municipal services fee
Parking/court fines and other revenue	Other revenue / Misc. receipts
Reimb. from parking & vehicle fund	Reimbursements from Parking Department & Vehicle Fund, revenues and associated expenses offset
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Materials & supplies	Primarily dues and memberships
Purchased services	One-time implementation and recurring payroll administration outsourcing costs reflected beginning Q3 FY 2015. Full year recurring costs reflected beginning FY 2016
Risk management and insurance	General Fund risk management and insurance payments. Historical data captures double count, which gets eliminated by CAFR adjustments
Other expenses	Primarily development authority, construction and capital improvement costs for Pass-Through Recipients funded by grants and special tax revenues
Debt service	General Fund debt service payments
Contributions to non-enterprise funds	Primarily contributions to Municipal Parking, Vehicle Fund, and the museum of African American History
Transfers out	Historical data represents debt service, which gets reallocated by CAFR adjustments
Operational restructuring	
Additional Department employees	- - (15) (25) (25) (25) (25) (25) (25) (25) (25)

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

## BSED - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	(0.0)	-	-	1.9	1.8	1.9	1.9	2.0	2.0	2.0	2.1	2.1	2.2	2.2	2.2	2.3
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from use of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	3.9	-	-	0.2	1.0	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>(0.0)</b>	<b>3.9</b>	<b>-</b>	<b>2.0</b>	<b>1.9</b>	<b>2.8</b>	<b>1.9</b>	<b>2.0</b>	<b>2.0</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>	<b>2.2</b>	<b>2.2</b>	<b>2.3</b>	<b>2.3</b>
<b>Expenditures</b>																
Salaries and wages	-	-	-	(0.5)	(0.5)	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)
Overtime	-	-	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Pension	0.1	0.1	0.1	(0.1)	(0.0)	(0.0)	(0.3)	(0.4)	(0.4)	(0.5)	(0.5)	(0.5)	(0.6)	(0.6)	(0.6)	(0.6)
Medical & fringe benefits	-	-	-	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)
Professional and contractual services	-	(3.4)	0.9	(0.7)	(0.4)	(0.6)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Materials & supplies	-	-	0.0	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-
Purchased services	-	-	-	(0.0)	-	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	0.0	-	-	(0.0)	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest <sup>1</sup>	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>0.0</b>	<b>(3.4)</b>	<b>0.9</b>	<b>(1.7)</b>	<b>(1.4)</b>	<b>(1.6)</b>	<b>(1.4)</b>	<b>(1.5)</b>	<b>(1.6)</b>	<b>(1.7)</b>	<b>(1.8)</b>	<b>(1.8)</b>	<b>(1.9)</b>	<b>(1.9)</b>	<b>(2.0)</b>	<b>(2.0)</b>
<b>Total surplus (deficit)</b>	<b>\$ (0.0)</b>	<b>\$ 0.6</b>	<b>\$ 0.9</b>	<b>\$ 0.2</b>	<b>\$ 0.6</b>	<b>\$ 1.2</b>	<b>\$ 0.5</b>	<b>\$ 0.5</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ 0.3</b>	<b>\$ 0.3</b>	<b>\$ 0.3</b>	<b>\$ 0.3</b>	<b>\$ 0.3</b>	<b>\$ 0.3</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2
<b>Expenses</b>																
Additional operating expenditures	-	0.4	(4.3)	(0.4)	2.3	2.7	3.6	3.6	3.2	3.7	3.7					
Technology	-	-	-	-	-	-	-	-	-	-	-					
Capital expenditures and other infrastructure	-	-	(0.4)	-	-	-	-	-	-	-	-					
Implementation costs	-	-	-	-	-	-	-	-	-	-	-					
<b>Subtotal: Expenses</b>	<b>-</b>	<b>0.4</b>	<b>(4.7)</b>	<b>(0.4)</b>	<b>2.3</b>	<b>2.7</b>	<b>3.6</b>	<b>3.6</b>	<b>3.2</b>	<b>3.7</b>	<b>3.7</b>					
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ 0.5</b>	<b>\$ (4.5)</b>	<b>\$ (0.3)</b>	<b>\$ 2.5</b>	<b>\$ 2.9</b>	<b>\$ 3.7</b>	<b>\$ 3.8</b>	<b>\$ 3.3</b>	<b>\$ 3.8</b>	<b>\$ 3.8</b>					
<b>Adjusted surplus (deficit)</b>	<b>\$ 1.2</b>	<b>\$ 1.1</b>	<b>\$ (4.1)</b>	<b>\$ 0.2</b>	<b>\$ 2.9</b>	<b>\$ 3.2</b>	<b>\$ 4.1</b>	<b>\$ 4.1</b>	<b>\$ 3.7</b>	<b>\$ 4.1</b>	<b>\$ 4.1</b>					

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Department employees (baseline)	-	-	-	6	7	6	7	7	7	7	7	7	7	7	7	7	
Average salary & wages(1)	n/a	n/a	n/a	\$ 83,261	\$ 72,376	\$ 67,350	\$ 67,006	\$ 70,356	\$ 70,356	\$ 72,115	\$ 73,918	\$ 75,766	\$ 77,281	\$ 78,827	\$ 80,403	\$ 82,011	
Average overtime	n/a	n/a	n/a	4,143	1,797	2,426	2,414	2,534	2,534	2,598	2,662	2,729	2,784	2,839	2,896	2,954	
	\$ -	\$ -	\$ -	\$ 87,404	\$ 74,174	\$ 69,776	\$ 69,419	\$ 72,890	\$ 72,890	\$ 74,712	\$ 76,580	\$ 78,495	\$ 80,065	\$ 81,666	\$ 83,299	\$ 84,965	
Overtime as a % of salary & wages	n/a	n/a	n/a	5.0%	2.5%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	
Pension as a % of salary & wages						10.1%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%	
Medical & fringe as a % of salary & wage	n/a	n/a	n/a	56.4%	61.1%	72.8%	57.8%	56.8%	58.8%	60.2%	61.6%	63.2%	64.6%	66.2%	67.6%	69.0%	

Key Items	Comment/Reference
Revenues	
Licenses, permits and inspection charges	Business license fees
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Professional and contractual services	Demolition administration and business license center

Operational restructuring																
Additional Department employees	-	2	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

## Parking - general fund

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wagering taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utility users' and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits and inspection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State revenue sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales and charges for services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from use of assets	(0.0)	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking/court fines and other revenue	10.4	12.5	9.8	10.5	9.0	11.4	11.4	11.4	11.4	11.4	11.4	11.4	11.4	11.4	11.4	11.4
DDOT risk mgmt reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimb. from parking & vehicle fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street fund reimb. and financing proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>10.4</b>	<b>12.5</b>	<b>9.8</b>	<b>10.5</b>	<b>9.0</b>	<b>11.4</b>	<b>11.4</b>	<b>11.4</b>	<b>11.4</b>	<b>11.4</b>	<b>11.4</b>	<b>11.4</b>	<b>11.4</b>	<b>11.4</b>	<b>11.4</b>	<b>11.4</b>
<b>Expenditures</b>																
Salaries and wages	(1.9)	(1.9)	(1.8)	(1.6)	(1.6)	(1.4)	(1.6)	(1.6)	(1.6)	(1.7)	(1.7)	(1.8)	(1.8)	(1.8)	(1.9)	(1.9)
Overtime	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Pension	0.0	0.0	0.0	(0.0)	(0.1)	(0.2)	(1.0)	(1.2)	(1.4)	(1.5)	(1.7)	(1.8)	(1.9)	(1.9)	(2.0)	(2.1)
Medical & fringe benefits	(1.0)	(1.0)	(1.0)	(1.0)	(1.1)	(1.2)	(1.1)	(1.1)	(1.2)	(1.2)	(1.3)	(1.4)	(1.4)	(1.5)	(1.5)	(1.6)
Professional and contractual services	(4.7)	(2.7)	(3.2)	(3.3)	(1.9)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.7)	(2.7)	(2.7)	(2.8)	(2.8)	(2.8)
Materials & supplies	(0.0)	(0.1)	(0.0)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Utilities	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Purchased services	(0.3)	0.0	(0.9)	(0.5)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Risk management and insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	(0.0)	(0.3)	(0.2)	(0.3)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
POC - principal and interest (1)	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)	(0.5)	(0.7)	(0.7)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant expenses (before reallocation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(8.6)</b>	<b>(6.4)</b>	<b>(7.8)</b>	<b>(7.3)</b>	<b>(5.7)</b>	<b>(6.4)</b>	<b>(7.4)</b>	<b>(7.8)</b>	<b>(8.1)</b>	<b>(8.4)</b>	<b>(8.7)</b>	<b>(8.9)</b>	<b>(9.1)</b>	<b>(9.4)</b>	<b>(9.6)</b>	<b>(9.8)</b>
<b>Total surplus (deficit)</b>	<b>\$ 1.8</b>	<b>\$ 6.0</b>	<b>\$ 2.0</b>	<b>\$ 3.2</b>	<b>\$ 3.3</b>	<b>\$ 5.0</b>	<b>\$ 4.0</b>	<b>\$ 3.7</b>	<b>\$ 3.4</b>	<b>\$ 3.0</b>	<b>\$ 2.7</b>	<b>\$ 2.5</b>	<b>\$ 2.3</b>	<b>\$ 2.1</b>	<b>\$ 1.9</b>	<b>\$ 1.7</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5.6	\$ 6.8	\$ 6.8	\$ 6.8	\$ 6.8	\$ 6.8	\$ 6.8	\$ 6.8	\$ 6.8	\$ 6.8	\$ 6.8
<b>Expenses</b>																
Additional operating expenditures	-	(0.1)	(0.4)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)
Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital expenditures and other infrastructure	-	-	(1.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Implementation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal: Expenses</b>	<b>-</b>	<b>(0.1)</b>	<b>(1.5)</b>	<b>(0.3)</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>(0.3)</b>	<b>(0.3)</b>	<b>(0.3)</b>	<b>(0.3)</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(0.4)</b>
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ (0.1)</b>	<b>\$ 4.1</b>	<b>\$ 6.6</b>	<b>\$ 6.6</b>	<b>\$ 6.6</b>	<b>\$ 6.6</b>	<b>\$ 6.6</b>	<b>\$ 6.5</b>	<b>\$ 6.5</b>	<b>\$ 6.5</b>	<b>\$ 6.5</b>	<b>\$ 6.5</b>	<b>\$ 6.5</b>	<b>\$ 6.5</b>	<b>\$ 6.4</b>
<b>Adjusted surplus (deficit)</b>	<b>\$ 5.0</b>	<b>\$ 3.9</b>	<b>\$ 7.7</b>	<b>\$ 9.9</b>	<b>\$ 9.7</b>	<b>\$ 9.3</b>	<b>\$ 9.0</b>	<b>\$ 8.8</b>	<b>\$ 8.5</b>	<b>\$ 8.3</b>	<b>\$ 8.1</b>	<b>\$ 7.9</b>	<b>\$ 7.7</b>	<b>\$ 7.5</b>	<b>\$ 7.3</b>	<b>\$ 7.1</b>

(1) Historical POC payments have been split out from total pension expense based on forecasted POC allocation.

	Fiscal year ended actual					Preliminary forecast											
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Department employees (baseline)	109	104	97	92	97	90	90	90	90	90	90	90	90	90	90	90	
Average salary & wages (1)	\$ 35,423	\$ 36,835	\$ 37,362	\$ 34,955	\$ 30,576	\$ 30,621	\$ 33,594	\$ 35,274	\$ 35,274	\$ 36,156	\$ 37,060	\$ 37,986	\$ 38,746	\$ 39,521	\$ 40,312	\$ 41,118	
Average overtime	171	51	25	102	19	46	50	53	53	54	55	57	58	59	60	61	
	\$ 35,594	\$ 36,886	\$ 37,387	\$ 35,057	\$ 30,594	\$ 30,667	\$ 33,644	\$ 35,327	\$ 35,327	\$ 36,210	\$ 37,115	\$ 38,043	\$ 38,804	\$ 39,580	\$ 40,372	\$ 41,179	
Overtime as a % of salary & wages	1.0%	0.3%	0.1%	0.6%	0.1%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	
Pension as a % of salary & wages						11.6%	62.9%	71.8%	83.2%	90.6%	98.6%	100.8%	103.8%	106.4%	109.3%	111.1%	
Medical & fringe as a % of salary & wage	53.2%	49.5%	53.3%	60.1%	68.8%	84.9%	70.5%	69.0%	71.5%	73.2%	75.0%	76.8%	78.4%	80.2%	81.7%	83.3%	

Key Items	Comment/Reference
Revenues	
Parking/court fines and other revenue	Parking fines
Expenses	
Personnel expenses	Appendix C.1 - Appendix C.3
Professional and contractual services	Parking violations bureau contract services
Other expenses	Development costs

Operational restructuring																
Additional Department employees	-	1	7	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)

(1) Based on department salaries & wages and employees, see Appendix C.2.

## Ten-Year Financial Projections

## Department of Transportation

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>																
Fare box revenue	28.0	27.3	25.0	26.2	21.7	21.3	21.3	21.3	21.3	21.3	21.3	21.3	21.3	21.3	21.3	21.3
State operating assistance (State Act 51)	55.1	51.6	53.0	53.8	47.6	47.4	46.4	46.4	46.4	46.4	46.4	46.4	46.4	46.4	46.4	46.4
Grant revenue (1)	50.8	54.4	63.6	47.8	60.0	34.4	13.3	22.9	22.9	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Subsidy from General Fund	104.1	79.3	80.0	77.0	90.6	47.2	85.5	87.5	93.9	100.9	108.4	113.8	119.0	124.2	129.5	134.6
Other revenue	6.7	5.0	5.5	6.7	3.0	(2.8)	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7
<b>Total revenues</b>	<b>244.7</b>	<b>217.6</b>	<b>227.1</b>	<b>211.5</b>	<b>222.9</b>	<b>147.6</b>	<b>171.2</b>	<b>182.9</b>	<b>189.3</b>	<b>193.4</b>	<b>200.9</b>	<b>206.2</b>	<b>211.4</b>	<b>216.6</b>	<b>221.9</b>	<b>227.0</b>
<b>Expenses</b>																
Salaries and wages	(47.4)	(48.4)	(45.1)	(40.8)	(36.8)	(30.3)	(30.1)	(33.9)	(34.4)	(35.3)	(36.1)	(37.1)	(37.8)	(38.5)	(39.3)	(40.1)
Overtime	(20.4)	(22.1)	(21.2)	(19.7)	(14.4)	(13.0)	(12.0)	(13.5)	(13.8)	(14.1)	(14.5)	(14.8)	(15.1)	(15.4)	(15.7)	(16.0)
Pension	(6.8)	(7.3)	(6.9)	(9.5)	(10.9)	(2.8)	(23.6)	(27.7)	(31.2)	(34.8)	(38.7)	(40.6)	(42.7)	(44.5)	(46.6)	(48.3)
Benefits (2)	(45.8)	(52.6)	(47.9)	(47.2)	(41.4)	(46.3)	(43.0)	(43.9)	(45.2)	(46.7)	(48.3)	(50.0)	(51.5)	(53.2)	(54.7)	(56.4)
Professional and contractual services	(22.1)	(14.1)	(13.7)	(14.9)	(28.5)	(13.5)	(15.5)	(15.7)	(15.8)	(16.0)	(16.1)	(16.3)	(16.5)	(16.6)	(16.8)	(17.0)
Materials & supplies	(34.7)	(26.5)	(22.5)	(24.9)	(23.9)	(21.6)	(21.6)	(21.9)	(22.1)	(22.3)	(22.5)	(22.7)	(23.0)	(23.2)	(23.4)	(23.7)
Utilities	(4.0)	(4.3)	(3.7)	(4.4)	(3.5)	(2.8)	(3.5)	(4.0)	(4.1)	(4.1)	(4.2)	(4.2)	(4.3)	(4.3)	(4.4)	(4.5)
Purchased services	(5.5)	(8.8)	(9.5)	(16.7)	(6.9)	(10.1)	(10.1)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)	(10.2)
Risk management and insurance	(11.1)	(10.9)	(18.7)	(19.2)	(12.5)	(0.4)	(10.3)	(12.6)	(12.7)	(12.8)	(13.0)	(13.1)	(13.2)	(13.4)	(13.5)	(13.6)
Other expenses	(23.0)	(21.2)	(17.3)	(17.2)	(22.9)	(20.0)	(0.9)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Debt service	-	-	-	-	-	(7.1)	-	-	-	-	-	-	-	-	-	-
Contributions to non-enterprise funds	(6.2)	(6.2)	(6.2)	(4.4)	(3.4)	-	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)
POC - principal and interest (3)	(4.5)	(4.7)	(5.0)	(5.5)	(5.9)	(6.2)	(6.6)	(6.8)	(6.9)	(7.1)	(7.3)	(7.1)	(7.2)	(7.2)	(7.2)	(7.2)
Transfer - debt service	-	-	-	-	(7.5)	(1.6)	(4.9)	(2.9)	(2.9)	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>(231.7)</b>	<b>(227.2)</b>	<b>(217.8)</b>	<b>(224.2)</b>	<b>(218.4)</b>	<b>(175.7)</b>	<b>(186.2)</b>	<b>(197.9)</b>	<b>(204.3)</b>	<b>(208.4)</b>	<b>(215.9)</b>	<b>(221.2)</b>	<b>(226.4)</b>	<b>(231.6)</b>	<b>(236.9)</b>	<b>(242.0)</b>
<b>Total surplus (deficit)</b>	<b>\$ 13.0</b>	<b>\$ (9.6)</b>	<b>\$ 9.3</b>	<b>\$ (12.7)</b>	<b>\$ 4.5</b>	<b>\$ (28.1)</b>	<b>\$ (15.0)</b>	<b>\$ (15.0)</b>	<b>\$ (15.0)</b>	<b>\$ (15.0)</b>	<b>\$ (15.0)</b>	<b>\$ (15.0)</b>	<b>\$ (15.0)</b>	<b>\$ (15.0)</b>	<b>\$ (15.0)</b>	<b>\$ (15.0)</b>
<b>Operational restructuring</b>																
Department revenue initiatives	\$ -	\$ (1.7)	\$ (5.7)	\$ (1.5)	\$ (0.1)	\$ 4.6	\$ 6.3	\$ 10.4	\$ 10.0	\$ 14.1	\$ 15.0					
<u>Expenses</u>																
Additional operating expenditures	-	(0.9)	(3.5)	0.7	(2.4)	(3.8)	(4.4)	(4.4)	(5.1)	(5.6)	(6.6)					
Technology	-	-	-	-	-	-	-	-	-	-	-					
Capital expenditures and other infrastructure	-	-	(1.6)	(2.0)	(2.3)	(2.5)	(1.0)	(1.0)	-	-	-					
Implementation costs	-	-	-	-	-	-	-	-	-	-	-					
Subtotal: Expenses	-	(0.9)	(5.1)	(1.3)	(4.7)	(6.2)	(5.4)	(5.4)	(5.1)	(5.6)	(6.6)					
<b>Operational restructuring</b>	<b>\$ -</b>	<b>\$ (2.6)</b>	<b>\$ (10.8)</b>	<b>\$ (2.8)</b>	<b>\$ (4.8)</b>	<b>\$ (1.7)</b>	<b>\$ 0.9</b>	<b>\$ 5.1</b>	<b>\$ 4.9</b>	<b>\$ 8.5</b>	<b>\$ 8.5</b>					
<b>Adjusted surplus (deficit)</b>	<b>\$ (28.1)</b>	<b>\$ (17.6)</b>	<b>\$ (25.8)</b>	<b>\$ (17.8)</b>	<b>\$ (19.8)</b>	<b>\$ (16.7)</b>	<b>\$ (14.1)</b>	<b>\$ (9.9)</b>	<b>\$ (10.1)</b>	<b>\$ (6.5)</b>	<b>\$ (6.5)</b>					

(1) Forecast excludes capital grants and related expenses.

(2) Includes ~\$15m non-cash OPEB expense which is the difference between the annual required contribution (per actuarial analysis) and actual payments made for retiree benefits.

(3) Historical POC payments have been split out from debt service based on forecasted POC allocation.

## Appendix B

### Key revenue drivers



## Ten-Year Financial Projections

Property tax revenue - without reinvestment

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Change in assessed values</u>																
Real Property	n/a	1.9%	-4.4%	-5.7%	-5.0%	-6.9%	-6.4%	-9.4%	-4.4%	-3.4%	-3.0%	-2.4%	-12.7%	-0.1%	0.7%	0.7%
Personal Property	n/a	-1.9%	-0.6%	-6.2%	-13.9%	3.8%	-1.5%	-2.1%	-1.4%	-0.7%	-0.2%	-0.1%	0.3%	0.3%	0.4%	0.4%
Renaissance Zone	n/a	3.5%	23.9%	-20.3%	70.6%	26.2%	44.0%	1.0%	1.0%	1.0%	-2.5%	1.5%	2.0%	2.0%	2.0%	2.0%
<u>Values</u>																
Real Property	\$ 8,149.5	\$ 8,302.7	\$ 7,937.2	\$ 7,483.9	\$ 7,112.6	\$ 6,622.8	\$ 6,200.3	\$ 5,619.5	\$ 5,369.7	\$ 5,186.9	\$ 5,029.1	\$ 4,910.4	\$ 4,287.3	\$ 4,282.7	\$ 4,312.8	\$ 4,343.1
Personal Property	1,469.0	1,440.6	1,431.9	1,343.6	1,157.5	1,201.8	1,183.7	1,158.3	1,142.4	1,134.5	1,131.8	1,130.4	1,133.3	1,136.3	1,140.6	1,145.0
Total Valuation (for Non-Departmental & Library)	\$ 9,618.5	\$ 9,743.3	\$ 9,369.1	\$ 8,827.5	\$ 8,270.2	\$ 7,824.6	\$ 7,384.0	\$ 6,777.9	\$ 6,512.1	\$ 6,321.4	\$ 6,160.9	\$ 6,040.8	\$ 5,420.6	\$ 5,419.0	\$ 5,453.4	\$ 5,488.1
Renaissance Zone	278.2	287.9	356.8	284.4	485.2	612.5	882.0	890.8	899.7	908.7	885.6	898.9	916.9	935.2	953.9	973.0
Total Valuation (for Debt Service)	\$ 9,896.7	\$ 10,031.3	\$ 9,725.9	\$ 9,111.9	\$ 8,755.4	\$ 8,437.1	\$ 8,266.0	\$ 7,668.6	\$ 7,411.8	\$ 7,230.1	\$ 7,046.5	\$ 6,939.7	\$ 6,337.5	\$ 6,354.2	\$ 6,407.3	\$ 6,461.1
<u>Millage</u>																
Non-Departmental (General City)	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952
Debt Service	8.068	7.478	7.477	8.916	9.556	9.614	9.813	10.465	9.977	10.223	10.030	9.744	10.030	9.865	7.008	6.249
Library	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631
<u>Tax Levy</u>																
Non-Departmental (General City)	\$ 191.9	\$ 194.4	\$ 186.9	\$ 176.1	\$ 165.0	\$ 156.1	\$ 147.3	\$ 135.2	\$ 129.9	\$ 126.1	\$ 122.9	\$ 120.5	\$ 108.2	\$ 108.1	\$ 108.8	\$ 109.5
Debt Service	79.8	75.0	72.7	81.2	83.7	81.1	81.1	80.3	73.9	73.9	70.7	67.6	63.6	62.7	44.9	40.4
Library	44.5	45.1	43.4	40.9	38.3	36.2	34.2	31.4	30.2	29.3	28.5	28.0	25.1	25.1	25.3	25.4
<u>Levy adjustments</u>																
Non-Departmental (General City)	\$ (4.5)	\$ (4.5)	\$ (6.0)	\$ (2.9)	\$ (4.3)	\$ -	\$ -	\$ (1.6)	\$ (1.6)	\$ (1.5)	\$ (1.5)	\$ (1.5)	\$ (1.5)	\$ (1.5)	\$ (1.5)	\$ (1.6)
Debt Service	(0.3)	(2.3)	(1.1)	(1.5)	(1.5)	-	-	-	-	-	-	-	-	-	-	-
Library	(0.4)	(0.4)	(0.8)	(1.0)	(1.0)	-	-	-	-	-	-	-	-	-	-	-
<u>Adjusted tax levy</u>																
Non-Departmental (General City)	\$ 187.4	\$ 189.9	\$ 180.9	\$ 173.2	\$ 160.7	\$ 156.1	\$ 147.3	\$ 133.6	\$ 128.4	\$ 124.6	\$ 121.4	\$ 119.0	\$ 106.6	\$ 106.6	\$ 107.3	\$ 107.9
Debt Service	79.5	72.7	71.7	79.7	82.2	81.1	81.1	80.3	73.9	73.9	70.7	67.6	63.6	62.7	44.9	40.4
Library	44.2	44.8	42.6	39.9	37.3	36.2	34.2	31.4	30.2	29.3	28.5	28.0	25.1	25.1	25.3	25.4
Total	\$ 311.1	\$ 307.4	\$ 295.1	\$ 292.8	\$ 280.1	\$ 273.5	\$ 262.6	\$ 245.3	\$ 232.5	\$ 227.8	\$ 220.6	\$ 214.6	\$ 195.3	\$ 194.4	\$ 177.4	\$ 173.7
<u>Collection rate</u>																
Non-Departmental (General City)	82.8%	86.2%	79.1%	78.8%	77.6%	85.6%	78.0%	78.0%	78.0%	78.0%	80.0%	80.0%	84.0%	84.0%	84.0%	84.0%
Debt Service	88.9%	92.4%	82.1%	87.0%	84.1%	87.0%	82.0%	78.0%	78.0%	78.0%	80.0%	80.0%	84.0%	84.0%	84.0%	84.0%
Library	96.1%	78.9%	84.4%	84.5%	84.0%	84.2%	82.0%	82.0%	82.0%	84.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
<u>City collections</u>																
Non-Departmental (General City) [A]	\$ 155.2	\$ 163.7	\$ 143.0	\$ 136.5	\$ 124.7	\$ 133.6	\$ 114.9	\$ 104.2	\$ 100.1	\$ 97.2	\$ 97.1	\$ 95.2	\$ 89.6	\$ 89.5	\$ 90.1	\$ 90.7
Debt Service	70.7	67.2	58.8	69.3	69.1	70.6	66.5	62.6	57.7	57.6	56.5	54.1	53.4	52.7	37.7	33.9
Library	42.5	35.3	35.9	33.7	31.3	30.5	28.0	25.7	24.7	24.6	24.2	23.8	21.3	21.3	21.5	21.6
Total	\$ 268.3	\$ 266.2	\$ 237.8	\$ 239.6	\$ 225.2	\$ 234.7	\$ 209.5	\$ 192.6	\$ 182.5	\$ 179.4	\$ 177.9	\$ 173.1	\$ 164.3	\$ 163.5	\$ 149.3	\$ 146.2
<u>Non-Departmental adjustments [B]</u>																
Prior Year delinquent collections	-	-	-	5.8	5.7	-	-	-	-	-	-	-	-	-	-	-
Chargeback Liability Reduction	-	-	-	26.9	5.7	-	-	-	-	-	-	-	-	-	-	-
Pass-Through Recipients Capture - Part of special act millage	-	-	-	9.1	7.3	-	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	4.4	4.3	-	-	-	-	-	-	-	-	-	-	-
General fund collections [A]+[B]	\$ 155.2	\$ 163.7	\$ 143.0	\$ 182.7	\$ 147.8	\$ 133.6	\$ 114.9	\$ 104.2	\$ 100.1	\$ 97.2	\$ 97.1	\$ 95.2	\$ 89.6	\$ 89.5	\$ 90.1	\$ 90.7

## Ten-Year Financial Projections

Property tax revenue - with reinvestment

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Change in assessed values</u>																
Real Property	n/a	1.9%	-4.4%	-5.7%	-5.0%	-6.9%	-6.4%	-9.3%	-3.3%	-2.0%	-0.1%	1.1%	-7.1%	2.8%	3.5%	3.5%
Personal Property	n/a	-1.9%	-0.6%	-6.2%	-13.9%	3.8%	-1.5%	-1.2%	-0.3%	1.0%	1.0%	1.7%	1.8%	2.0%	2.2%	2.2%
Renaissance Zone	n/a	3.5%	23.9%	-20.3%	70.6%	26.2%	48.1%	1.0%	1.0%	1.0%	0.1%	1.5%	2.0%	2.0%	2.0%	2.0%
<u>Values</u>																
Real Property	\$ 8,149.5	\$ 8,302.7	\$ 7,937.2	\$ 7,483.9	\$ 7,112.6	\$ 6,622.8	\$ 6,200.3	\$ 5,624.2	\$ 5,439.7	\$ 5,330.9	\$ 5,327.9	\$ 5,388.2	\$ 5,004.6	\$ 5,145.5	\$ 5,327.4	\$ 5,515.8
Personal Property	1,469.0	1,440.6	1,431.9	1,343.6	1,157.5	1,201.8	1,183.7	1,169.4	1,165.6	1,177.2	1,189.0	1,209.8	1,230.9	1,255.2	1,282.8	1,311.0
Total Valuation (for Non-Departmental & Library)	\$ 9,618.5	\$ 9,743.3	\$ 9,369.1	\$ 8,827.5	\$ 8,270.2	\$ 7,824.6	\$ 7,384.0	\$ 6,793.6	\$ 6,605.2	\$ 6,508.1	\$ 6,516.9	\$ 6,597.9	\$ 6,235.5	\$ 6,400.7	\$ 6,610.1	\$ 6,826.8
Renaissance Zone	278.2	287.9	356.8	284.4	485.2	612.5	907.0	916.1	925.3	934.5	935.8	949.8	968.8	988.2	1,007.9	1,028.1
Total Valuation (for Debt Service)	\$ 9,896.7	\$ 10,031.3	\$ 9,725.9	\$ 9,111.9	\$ 8,755.4	\$ 8,437.1	\$ 8,291.0	\$ 7,709.7	\$ 7,530.5	\$ 7,442.6	\$ 7,452.6	\$ 7,547.7	\$ 7,204.3	\$ 7,388.9	\$ 7,618.1	\$ 7,854.9
<u>Millage</u>																
Non-Departmental (General City)	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952	19.952
Debt Service	8.068	7.478	7.477	8.916	9.556	9.614	9.783	10.410	9.340	9.446	9.252	8.741	8.519	8.191	5.691	4.963
Library	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631	4.631
<u>Tax Levy</u>																
Non-Departmental (General City)	\$ 191.9	\$ 194.4	\$ 186.9	\$ 176.1	\$ 165.0	\$ 156.1	\$ 147.3	\$ 135.5	\$ 131.8	\$ 129.8	\$ 130.0	\$ 131.6	\$ 124.4	\$ 127.7	\$ 131.9	\$ 136.2
Debt Service	79.8	75.0	72.7	81.2	83.7	81.1	81.1	80.3	70.3	70.3	69.0	66.0	61.4	60.5	43.4	39.0
Library	44.5	45.1	43.4	40.9	38.3	36.2	34.2	31.5	30.6	30.1	30.2	30.6	28.9	29.6	30.6	31.6
<u>Levy adjustments</u>																
Non-Departmental (General City)	\$ (4.5)	\$ (4.5)	\$ (6.0)	\$ (2.9)	\$ (4.3)	\$ -	\$ -	\$ (1.6)	\$ (1.6)	\$ (1.6)	\$ (1.6)	\$ (1.7)	\$ (1.7)	\$ (1.7)	\$ (1.8)	\$ (1.8)
Debt Service	(0.3)	(2.3)	(1.1)	(1.5)	(1.5)	-	-	-	-	-	-	-	-	-	-	-
Library	(0.4)	(0.4)	(0.8)	(1.0)	(1.0)	-	-	-	-	-	-	-	-	-	-	-
<u>Adjusted tax levy</u>																
Non-Departmental (General City)	\$ 187.4	\$ 189.9	\$ 180.9	\$ 173.2	\$ 160.7	\$ 156.1	\$ 147.3	\$ 133.9	\$ 130.2	\$ 128.2	\$ 128.4	\$ 130.0	\$ 122.7	\$ 126.0	\$ 130.1	\$ 134.4
Debt Service	79.5	72.7	71.7	79.7	82.2	81.1	81.1	80.3	70.3	70.3	69.0	66.0	61.4	60.5	43.4	39.0
Library	44.2	44.8	42.6	39.9	37.3	36.2	34.2	31.5	30.6	30.1	30.2	30.6	28.9	29.6	30.6	31.6
Total	\$ 311.1	\$ 307.4	\$ 295.1	\$ 292.8	\$ 280.1	\$ 273.5	\$ 262.6	\$ 245.6	\$ 231.1	\$ 228.7	\$ 227.5	\$ 226.5	\$ 213.0	\$ 216.2	\$ 204.1	\$ 205.0
<u>Collection rate</u>																
Non-Departmental (General City)	82.8%	86.2%	79.1%	78.8%	77.6%	85.6%	78.0%	78.0%	82.0%	82.0%	82.0%	82.0%	87.0%	87.0%	87.0%	87.0%
Debt Service	88.9%	92.4%	82.1%	87.0%	84.1%	87.0%	82.0%	78.0%	82.0%	82.0%	82.0%	82.0%	87.0%	87.0%	87.0%	87.0%
Library	96.1%	78.9%	84.4%	84.5%	84.0%	84.2%	82.0%	82.0%	82.0%	84.0%	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
<u>City collections</u>																
Non-Departmental (General City) [A]	\$ 155.2	\$ 163.7	\$ 143.0	\$ 136.5	\$ 124.7	\$ 133.6	\$ 114.9	\$ 104.5	\$ 106.8	\$ 105.2	\$ 105.3	\$ 106.6	\$ 106.8	\$ 109.6	\$ 113.2	\$ 116.9
Debt Service	70.7	67.2	58.8	69.3	69.1	70.6	66.5	62.6	57.7	57.6	56.5	54.1	53.4	52.7	37.7	33.9
Library	42.5	35.3	35.9	33.7	31.3	30.5	28.0	25.8	25.1	25.3	25.7	26.0	24.5	25.2	26.0	26.9
Total	\$ 268.3	\$ 266.2	\$ 237.8	\$ 239.6	\$ 225.2	\$ 234.7	\$ 209.5	\$ 192.9	\$ 189.5	\$ 188.1	\$ 187.5	\$ 186.7	\$ 184.7	\$ 187.5	\$ 176.9	\$ 177.7
<u>Non-Departmental adjustments [B]</u>																
Prior Year delinquent collections	-	-	-	5.8	5.7	-	-	-	-	-	-	-	-	-	-	-
Chargeback Liability Reduction	-	-	-	26.9	5.7	-	-	-	-	-	-	-	-	-	-	-
Pass-Through Recipients Capture - Part of special act millage	-	-	-	9.1	7.3	-	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	4.4	4.3	-	-	-	-	-	-	-	-	-	-	-
GF collections - restructuring [A]+[B]	\$ 155.2	\$ 163.7	\$ 143.0	\$ 182.7	\$ 147.8	\$ 133.6	\$ 114.9	\$ 104.5	\$ 106.8	\$ 105.2	\$ 105.3	\$ 106.6	\$ 106.8	\$ 109.6	\$ 113.2	\$ 116.9
GF collections - without reinvestment							114.9	104.2	100.1	97.2	97.1	95.2	89.6	89.5	90.1	90.7
Increased collections						\$ -	\$ 0.2	\$ 6.6	\$ 8.0	\$ 8.2	\$ 11.4	\$ 17.2	\$ 20.1	\$ 23.1	\$ 26.3	

## Ten-Year Financial Projections

## Income tax revenue - without reinvestment

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Municipal Income Taxes Calculation</b>																
<b>City Residents (A)</b>																
Taxable income growth						2.8%	1.9%	1.5%	0.5%	0.5%	0.5%	0.5%	0.7%	0.7%	1.0%	1.0%
Taxable income	\$ 7,142.5	\$ 6,207.7	\$ 5,581.3	\$ 5,838.5	\$ 6,003.4	\$ 6,174.3	\$ 6,294.0	\$ 6,385.5	\$ 6,414.7	\$ 6,444.0	\$ 6,473.5	\$ 6,503.3	\$ 6,545.8	\$ 6,588.6	\$ 6,654.5	\$ 6,721.1
Income tax rate	2.5%	2.5%	2.5%	2.5%	2.5%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
Total City Resident income taxes	178.6	155.2	139.5	146.0	150.1	148.2	151.1	153.3	154.0	154.7	155.4	156.1	157.1	158.1	159.7	161.3
growth rate		-15.1%	-11.2%	4.4%	2.7%	-1.3%	1.9%	1.4%	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%	1.0%	1.0%
<b>Non-Residents (B)</b>																
Taxable income growth						2.6%	2.2%	1.7%	0.7%	0.7%	0.7%	0.7%	0.5%	1.2%	1.7%	1.7%
Taxable income	6,848.7	5,952.3	5,351.6	5,598.2	5,784.5	5,932.5	6,065.0	6,168.1	6,211.2	6,254.4	6,297.9	6,341.7	6,373.4	6,449.4	6,558.5	6,669.3
Income tax rate	1.3%	1.3%	1.3%	1.3%	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
Total Non-Resident income taxes	85.6	74.4	66.9	70.0	72.3	71.2	72.8	74.0	74.5	75.1	75.6	76.1	76.5	77.4	78.7	80.0
growth rate		-15.1%	-11.2%	4.4%	3.2%	-1.6%	2.2%	1.7%	0.7%	0.7%	0.7%	0.7%	0.5%	1.2%	1.7%	1.7%
<b>Corporations (C)</b>																
Net tax collection growth							2.3%	2.5%	2.0%	2.0%	2.0%	1.5%	1.0%	1.0%	1.0%	1.0%
Taxable income (implied)	1,238.7	907.7	1,033.4	1,043.7	1,064.6	1,102.5	1,128.3	1,156.5	1,179.6	1,203.2	1,227.3	1,245.7	1,258.2	1,270.7	1,283.5	1,296.3
Corporate tax rate	1.0%	1.0%	1.0%	1.0%	1.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Net tax collections	12.4	9.1	10.3	10.4	10.6	22.1	22.6	23.1	23.6	24.1	24.5	24.9	25.2	25.4	25.7	25.9
growth rate		-36.5%	12.2%	1.0%	2.0%	51.7%	2.3%	2.4%	2.0%	2.0%	2.0%	1.5%	1.0%	1.0%	1.0%	1.0%
<b>Total Municipal income taxes (D) = (A+B+C)</b>																
Taxable income	15,229.9	13,067.7	11,966.3	12,480.4	12,852.4	13,209.2	13,487.3	13,710.2	13,805.5	13,901.7	13,998.8	14,090.7	14,177.4	14,308.8	14,496.4	14,686.7
Calculated tax rate	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
Total Municipal income taxes	276.6	238.7	216.8	226.4	233.0	241.4	246.4	250.4	252.1	253.8	255.5	257.1	258.7	260.9	264.1	267.3
<b>Adjustment Municipal income taxes</b>																
Adjustment for actuals	(0.1)	2.2	(0.2)	1.9	0.0	6.6	-	-	-	-	-	-	-	-	-	-
Total Adjusted Municipal income taxes	\$ 276.5	\$ 240.8	\$ 216.5	\$ 228.3	\$ 233.0	\$ 248.0	\$ 246.4	\$ 250.4	\$ 252.1	\$ 253.8	\$ 255.5	\$ 257.1	\$ 258.7	\$ 260.9	\$ 264.1	\$ 267.3

## Ten-Year Financial Projections

## Income tax revenue - with reinvestment

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Municipal Income Taxes Calculation</b>																
<b>City Residents (A)</b>																
Taxable income growth						2.8%	2.6%	3.2%	2.3%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%
Taxable income	\$ 7,142.5	\$ 6,207.7	\$ 5,581.3	\$ 5,838.5	\$ 6,003.4	\$ 6,174.3	\$ 6,332.7	\$ 6,533.4	\$ 6,680.7	\$ 6,827.2	\$ 6,974.0	\$ 7,124.5	\$ 7,279.5	\$ 7,437.9	\$ 7,599.7	\$ 7,765.0
Income tax rate	2.5%	2.5%	2.5%	2.5%	2.5%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
Total City Resident income taxes	178.6	155.2	139.5	146.0	150.1	148.2	152.0	156.8	160.3	163.9	167.4	171.0	174.7	178.5	182.4	186.4
growth rate		-15.1%	-11.2%	4.4%	2.7%	-1.3%	2.5%	3.1%	2.2%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%
<b>Non-Residents (B)</b>																
Taxable income growth						2.6%	2.9%	3.3%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%
Taxable income	6,848.7	5,952.3	5,351.6	5,598.2	5,784.5	5,932.5	6,105.4	6,306.5	6,444.0	6,584.5	6,728.0	6,874.7	7,024.6	7,177.7	7,334.2	7,494.1
Income tax rate	1.3%	1.3%	1.3%	1.3%	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
Total Non-Resident income taxes	85.6	74.4	66.9	70.0	72.3	71.2	73.3	75.7	77.3	79.0	80.7	82.5	84.3	86.1	88.0	89.9
growth rate		-15.1%	-11.2%	4.4%	3.2%	-1.6%	2.8%	3.2%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%
<b>Corporations (C)</b>																
Net tax collection growth							2.8%	4.7%	4.0%	3.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Taxable income (implied)	1,238.7	907.7	1,033.4	1,043.7	1,064.6	1,102.5	1,133.4	1,186.6	1,234.1	1,271.1	1,296.5	1,322.5	1,348.9	1,375.9	1,403.4	1,431.5
Corporate tax rate	1.0%	1.0%	1.0%	1.0%	1.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Net tax collections	12.4	9.1	10.3	10.4	10.6	22.1	22.7	23.7	24.7	25.4	25.9	26.4	27.0	27.5	28.1	28.6
growth rate		-36.5%	12.2%	1.0%	2.0%	51.7%	2.7%	4.5%	3.8%	2.9%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
<b>Total Municipal income taxes (D) = (A+B+C)</b>																
Taxable income	15,229.9	13,067.7	11,966.3	12,480.4	12,852.4	13,209.2	13,571.4	14,026.5	14,358.7	14,682.8	14,998.6	15,321.7	15,653.0	15,991.5	16,337.3	16,690.6
Calculated tax rate	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
Total Municipal income taxes	276.6	238.7	216.8	226.4	233.0	241.4	247.9	256.2	262.3	268.3	274.0	279.9	286.0	292.2	298.5	304.9
<b>Adjustment Municipal income taxes</b>																
Adjustment for actuals	(0.1)	2.2	(0.2)	1.9	0.0	6.6	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Income tax revenue - restructuring	\$ 276.5	\$ 240.8	\$ 216.5	\$ 228.3	\$ 233.0	\$ 248.0	\$ 247.9	\$ 256.2	\$ 262.3	\$ 268.3	\$ 274.0	\$ 279.9	\$ 286.0	\$ 292.2	\$ 298.5	\$ 304.9
Income tax revenue - without reinvestment							246.4	250.4	252.1	253.8	255.5	257.1	258.7	260.9	264.1	267.3
Increased income tax revenues						\$ 1.5	\$ 5.8	\$ 10.3	\$ 14.5	\$ 18.6	\$ 22.8	\$ 27.2	\$ 31.2	\$ 34.4	\$ 37.7	

## Ten-Year Financial Projections

## Wagering tax revenue

(\$ in millions)

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Wagering Taxes Drivers</u>																
% Change in Gross Receipts						-4.0%	-2.5%	-1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Adjusted Gross Receipts																
MGM					\$ 608.4	\$ 580.2	\$ 565.4	\$ 559.7	\$ 565.3	\$ 571.0	\$ 576.7	\$ 582.5	\$ 588.3	\$ 594.2	\$ 600.1	\$ 606.1
Motorcity					468.7	457.3	445.6	441.2	445.6	450.0	454.5	459.1	463.7	468.3	473.0	477.7
Greektown					358.0	340.3	331.6	328.3	331.6	334.9	338.2	341.6	345.0	348.5	352.0	355.5
<u>Wagering Taxes Calculation</u>																
Adjusted Gross Receipts (A)																
MGM	\$ 560.2	\$ 564.8	\$ 562.1	\$ 589.6	\$ 608.4	\$ 580.2	\$ 565.4	\$ 559.7	\$ 565.3	\$ 571.0	\$ 576.7	\$ 582.5	\$ 588.3	\$ 594.2	\$ 600.1	\$ 606.1
Motorcity	478.9	459.6	437.4	460.1	468.7	457.3	445.6	441.2	445.6	450.0	454.5	459.1	463.7	468.3	473.0	477.7
Greektown	331.2	319.0	356.6	350.0	358.0	340.3	331.6	328.3	331.6	334.9	338.2	341.6	345.0	348.5	352.0	355.5
Wagering Tax Rate (B)	11.4%	11.2%	11.1%	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%
Additional Payment (per 2006 operating agreement) (C)	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Subtotal Wagering Tax (D) = (A)*(B+C)																
MGM	67.9	67.2	66.9	70.2	72.4	69.0	67.3	66.6	67.3	67.9	68.6	69.3	70.0	70.7	71.4	72.1
Motorcity	59.4	54.7	52.1	54.8	55.8	54.4	53.0	52.5	53.0	53.6	54.1	54.6	55.2	55.7	56.3	56.8
Greektown	42.5	41.2	44.5	41.7	42.6	40.5	39.5	39.1	39.5	39.9	40.3	40.7	41.1	41.5	41.9	42.3
Revenue Target Supplemental Wagering Tax (E)																
MGM	5.6	5.7	5.6	5.9	6.1	5.8	5.7	5.6	5.7	5.7	5.8	5.8	5.9	6.0	6.0	6.1
Motorcity	4.8	4.6	4.4	4.6	4.7	4.6	4.5	4.4	4.5	4.5	4.6	4.6	4.6	4.7	4.7	4.8
Greektown	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Wagering Tax (F) = (D+E)																
MGM	73.5	72.9	72.5	76.1	78.5	74.9	72.9	72.2	72.9	73.7	74.4	75.1	75.9	76.7	77.4	78.2
Motorcity	64.2	59.3	56.4	59.4	60.5	59.0	57.5	56.9	57.5	58.1	58.6	59.2	59.8	60.4	61.0	61.6
Greektown	42.5	41.2	44.5	41.7	42.6	40.5	39.5	39.1	39.5	39.9	40.3	40.7	41.1	41.5	41.9	42.3
Total Wagering Tax	180.1	173.3	173.4	177.1	181.6	174.3	169.9	168.2	169.9	171.6	173.3	175.0	176.8	178.5	180.3	182.1
Adjustment Wagering Taxes																
Adjustment for Actuals	0.3	(0.3)	9.9	(0.2)	(0.1)	0.3	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0	0.0	0.0
Total Adjusted Wagering Taxes	\$180.4	\$173.0	\$183.3	\$176.9	\$181.4	\$174.6	\$169.9	\$168.2	\$169.9	\$171.6	\$173.3	\$175.0	\$176.8	\$178.5	\$180.3	\$182.1

## Ten-Year Financial Projections

## State revenue sharing

(\$ in millions)

## State Revenue Sharing Calculations

	Fiscal year ended actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Constitutional</b>																
2000 Population	949,231	949,231	949,231	949,231	--	--	--	--	--	--	--	--	--	--	--	--
2010 Population	--	--	--	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	--	--
2020 Population	--	--	--	--	--	--	--	--	--	--	--	--	--	625,152	625,152	625,152
<b>October Payment</b>																
Population	949,231	949,231	949,231	949,231	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	625,152	625,152
Distribution Rate	12.443	11.812	10.837	11.353	12.456	13.001	12.848	12.848	12.848	12.848	12.848	12.848	12.848	12.848	12.848	12.848
October Payment	11.8	11.2	10.3	10.8	8.9	9.3	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	8.0	8.0
<b>December Payment</b>																
Population	949,231	949,231	949,231	949,231	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	625,152	625,152
Distribution Rate	11.554	12.370	10.291	10.381	12.215	12.287	13.089	13.089	13.089	13.089	13.089	13.089	13.089	13.089	13.089	13.089
December Payment	11.0	11.7	9.8	9.9	8.7	8.8	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	8.2	8.2
<b>February Payment</b>																
Population	949,231	949,231	949,231	949,231	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	625,152	625,152
Distribution Rate	12.010	11.540	11.223	11.969	12.106	12.596	12.949	12.949	12.949	12.949	12.949	12.949	12.949	12.949	12.949	12.949
February Payment	11.4	11.0	10.7	11.4	8.6	9.0	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	8.1	8.1
<b>April Payment</b>																
Population	949,231	949,231	949,231	949,231	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	625,152	625,152
Distribution Rate	10.744	8.954	9.423	10.254	11.497	11.214	11.565	11.565	11.565	11.565	11.565	11.565	11.565	11.565	11.565	11.565
April Payment	10.2	8.5	8.9	9.7	8.2	8.0	8.2	8.2	8.2	8.2	8.2	8.2	8.2	8.2	7.2	7.2
<b>June Payment</b>																
Population	949,231	949,231	949,231	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	625,152	625,152	625,152
Distribution Rate	10.809	10.623	10.830	11.003	11.645	11.802	12.166	12.166	12.166	12.166	12.166	12.166	12.166	12.166	12.166	12.166
June Payment	10.3	10.1	10.3	7.8	8.3	8.4	8.7	8.7	8.7	8.7	8.7	8.7	8.7	7.6	7.6	7.6
<b>August Payment</b>																
Population	949,231	949,231	949,231	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	712,501	625,152	625,152	625,152
Distribution Rate	11.920	10.228	10.916	11.010	11.620	12.398	12.222	12.222	12.222	12.222	12.222	12.222	12.222	12.222	12.222	12.222
August Payment	11.3	9.7	10.4	7.8	8.3	8.8	8.7	8.7	8.7	8.7	8.7	8.7	8.7	7.6	7.6	7.6
<b>Adjustment (1)</b>																
Adjustment for Actuals	-	-	-	(10.2)	-	(0.0)	0.6	2.0	3.6	5.2	6.9	8.7	10.5	6.1	12.2	13.9
Total Constitutional Payment	\$ 66.4	\$ 63.1	\$ 60.9	\$ 47.6	\$ 51.0	\$ 52.2	\$ 53.9	\$ 55.3	\$ 56.9	\$ 58.5	\$ 60.2	\$ 62.0	\$ 63.8	\$ 57.3	\$ 59.0	\$ 60.7
<b>Statutory (EVIP)</b>																
Accounting and Transparency					40.5	43.3	45.4	45.4	45.4	45.4	45.4	45.4	45.4	45.4	45.4	45.4
Consolidation of Services					40.5	43.3	45.4	45.4	45.4	45.4	45.4	45.4	45.4	45.4	45.4	45.4
Employee Compensation					40.5	43.3	45.4	45.4	45.4	45.4	45.4	45.4	45.4	45.4	45.4	45.4
Adjustment for Actuals					-	0.2	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Total Statutory Payment (EVIP)	-	-	-	-	121.4	130.3	136.3	136.3	136.3	136.3	136.3	136.3	136.3	136.3	136.3	136.3
<b>Total</b>																
Total Constitutional Payment	66.4	63.1	60.9	47.6	51.0	52.2	53.9	55.3	56.9	58.5	60.2	62.0	63.8	57.3	59.0	60.7
Total Statutory Payment	181.8	202.6	201.5	191.5	121.4	130.3	136.3	136.3	136.3	136.3	136.3	136.3	136.3	136.3	136.3	136.3
Estimated State Revenue Sharing	\$ 248.2	\$ 265.8	\$ 262.4	\$ 239.2	\$ 172.3	\$ 182.5	\$ 190.2	\$ 191.6	\$ 193.2	\$ 194.8	\$ 196.5	\$ 198.3	\$ 200.1	\$ 193.6	\$ 195.3	\$ 197.0
State calculations used for FY15 and beyond																
<b>Other shared taxes (including liquor and beer licenses)</b>																
Other shared taxes (including liquor and beer licenses)	\$ 1.4	\$ 0.8	\$ 1.3	\$ 0.1	\$ 1.0	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3
Total State Revenue Sharing	\$ 249.6	\$ 266.6	\$ 263.7	\$ 239.3	\$ 173.3	\$ 183.8	\$ 191.5	\$ 192.9	\$ 194.5	\$ 196.1	\$ 197.8	\$ 199.6	\$ 201.4	\$ 194.9	\$ 196.6	\$ 198.3

## Notes:

(1) Adjustment due to estimated increases in sales tax collections by the State, resulting in higher assumed distributions

## Appendices C - D

### Key expense drivers

## Ten-Year Financial Projections

## Headcount - Full-Time Equivalents

		Detailed Headcount by Department															
		Fiscal year ended actual					Preliminary forecast										
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Uniform																	
Police		3,421	3,688	3,288	3,195	3,016	2,909	2,706	2,747	2,882	2,895	2,895	2,895	2,895	2,895	2,895	2,895
Fire		1,444	1,406	1,355	1,330	1,257	1,189	1,183	1,238	1,228	1,228	1,228	1,228	1,228	1,228	1,228	1,228
	Total Uniform	4,865	5,094	4,643	4,525	4,273	4,098	3,890	3,986	4,110	4,123	4,123	4,123	4,123	4,123	4,123	4,123
Civilian																	
Budget		22	23	20	16	15	16	16	16	16	16	16	16	16	16	16	16
DPW		803	788	659	642	542	505	509	509	509	509	509	509	509	509	509	509
DWDD		91	99	113	73	46	7	-	-	-	-	-	-	-	-	-	-
Finance		327	310	285	266	235	228	216	216	206	206	206	206	206	206	206	206
Health & Wellness		348	317	262	243	185	80	14	9	9	9	9	9	9	9	9	9
Human Resources		175	168	171	176	107	93	84	84	60	60	60	60	60	60	60	60
Human Services		117	91	95	85	52	22	-	-	-	-	-	-	-	-	-	-
ITS		99	92	65	46	43	35	35	38	38	38	38	38	38	38	38	38
Law		127	122	113	105	94	86	86	86	86	86	86	86	86	86	86	86
Mayor		108	74	63	52	39	22	22	24	24	24	24	24	24	24	24	24
Planning & Development		172	173	160	154	122	116	116	113	113	113	113	113	113	113	113	113
PLD		225	206	160	123	103	99	70	12	7	5	3	3	3	2	-	-
Recreation		472	388	508	510	300	202	202	202	202	202	202	202	202	202	202	202
General Services		676	528	481	447	343	298	298	272	272	272	272	272	272	272	272	272
Legislative (1)		230	266	194	169	184	172	138	119	119	119	119	119	119	119	119	119
36th District Court		32	33	33	35	31	31	31	31	31	31	31	31	31	31	31	31
Other (2)		103	89	31	36	26	32	30	26	26	26	26	26	26	26	26	26
	Total Civilian	4,127	3,767	3,413	3,178	2,467	2,043	1,868	1,757	1,718	1,716	1,714	1,714	1,714	1,713	1,711	1,711
	Total General Fund	8,992	8,861	8,056	7,703	6,740	6,140	5,758	5,743	5,828	5,839	5,837	5,837	5,837	5,836	5,834	5,834
Enterprise																	
Airport		11	10	9	8	7	5	5	5	5	5	5	5	5	5	5	5
BSED		296	276	258	235	204	192	192	192	192	192	192	192	192	192	192	192
Transportation		1,512	1,514	1,351	1,292	1,131	1,060	978	1,048	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065
Parking		109	104	97	92	97	90	90	90	90	90	90	90	90	90	90	90
Water		1,045	1,012	962	981	930	873	873	873	873	873	873	873	873	873	873	873
Sewer		1,215	1,177	1,119	1,142	1,082	1,016	1,016	1,016	1,016	1,016	1,016	1,016	1,016	1,016	1,016	1,016
Library		460	466	450	371	334	335	335	335	335	335	335	335	335	335	335	335
	Total Enterprise	4,648	4,559	4,246	4,121	3,785	3,572	3,490	3,560	3,577	3,577	3,577	3,577	3,577	3,577	3,577	3,577
Total City		13,640	13,420	12,302	11,824	10,525	9,712	9,248	9,303	9,405	9,417	9,415	9,415	9,415	9,414	9,412	9,412

(1) Most Recreation department employees are part-time employees.

(2) Includes: Civic Center, Human Rights, Administrative Hearings, Homeland Security, Non-departmental



Ten-Year Financial Projections  
Payroll

	Fiscal year ended actual					Average Salary										
	Actual					Preliminary forecast										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Uniform																
Police	\$53,597	\$51,883	\$56,204	\$60,742	\$58,848	\$52,625	\$51,514	\$54,454	\$54,454	\$55,816	\$57,211	\$58,641	\$59,814	\$61,010	\$62,231	\$63,475
Fire	59,754	62,869	62,968	63,698	65,189	58,311	55,950	58,747	58,747	60,216	61,721	63,264	64,530	65,820	67,137	68,479
Average Uniform	\$55,424	\$54,915	\$58,178	\$61,611	\$60,713	\$54,274	\$52,864	\$55,788	\$55,737	\$57,126	\$58,554	\$60,018	\$61,218	\$62,443	\$63,692	\$64,965
Civilian																
Budget	\$62,323	\$62,796	\$62,338	\$71,811	\$73,322	\$57,557	\$64,173	\$67,381	\$67,381	\$69,066	\$70,792	\$72,562	\$74,013	\$75,494	\$77,003	\$78,544
DPW	30,107	30,392	35,862	30,300	32,448	31,439	33,550	35,112	35,112	35,990	36,890	37,812	38,568	39,339	40,126	40,929
DWDD	69,476	72,088	105,969	104,180	96,126	n/a	-	-	-	-	-	-	-	-	-	-
Finance	44,290	48,404	49,213	48,545	49,479	44,131	45,415	47,685	47,685	48,878	50,099	51,352	52,379	53,427	54,495	55,585
Health & Wellness	38,399	42,069	44,205	39,808	42,873	29,627	60,946	73,547	73,547	75,386	77,270	79,202	80,786	82,402	84,050	85,731
Human Resources	52,849	55,000	49,465	38,861	55,145	44,710	49,727	52,213	52,213	53,519	54,857	56,228	57,353	58,500	59,670	60,863
Human Services	42,296	53,028	47,676	46,749	64,791	44,951	55,538	58,314	58,314	59,772	61,267	62,798	64,054	65,335	66,642	67,975
ITS	51,306	55,548	61,007	74,548	60,681	57,494	57,494	60,369	60,369	61,878	63,425	65,011	66,311	67,637	68,990	70,369
Law	73,486	75,672	72,144	73,252	78,313	71,497	71,497	75,072	75,072	76,949	78,873	80,844	82,461	84,111	85,793	87,509
Mayor	52,946	71,222	73,700	76,927	80,495	98,421	92,861	97,504	97,504	99,942	102,440	105,001	107,101	109,243	111,428	113,657
Planning & Development	54,225	54,491	55,121	51,860	59,007	53,640	53,640	56,322	56,322	57,730	59,173	60,652	61,865	63,103	64,365	65,652
PLD	44,676	46,839	50,059	55,114	55,866	48,724	49,211	84,190	81,474	79,817	79,591	81,182	82,806	84,462	-	-
Recreation (1)	15,783	19,905	13,500	11,659	17,264	16,904	16,904	17,749	17,749	18,193	18,648	19,114	19,496	19,886	20,284	20,690
General Services	31,804	39,503	36,473	36,309	34,874	30,695	33,501	35,176	35,176	36,056	36,957	37,881	38,639	39,412	40,200	41,004
Legislative (2)	51,789	49,387	56,976	54,111	43,790	41,106	39,284	43,415	43,415	44,501	45,613	46,754	47,689	48,642	49,615	50,608
36th District Court	73,310	74,878	73,616	69,189	51,102	51,391	46,252	48,564	48,564	49,779	51,023	52,299	53,345	54,411	55,500	56,610
Other (3)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total Civilian	\$37,952	\$41,894	\$43,048	\$39,407	\$42,474	\$37,652	\$39,115	\$41,290	\$40,962	\$41,927	\$42,926	\$43,998	\$44,878	\$45,753	\$46,622	\$47,554
Total General Fund	\$47,405	\$49,380	\$51,768	\$52,450	\$54,037	\$48,745	\$48,404	\$51,352	\$51,381	\$52,659	\$53,965	\$55,314	\$56,420	\$57,544	\$58,686	\$59,859
Enterprise																
Airport	\$46,972	\$51,750	\$49,202	\$44,746	\$42,833	\$39,678	\$64,882	\$68,126	\$68,126	\$69,829	\$71,575	\$73,364	\$74,832	\$76,328	\$77,855	\$79,412
BS&D	44,694	49,103	50,316	49,154	48,069	40,757	47,306	49,672	49,672	50,913	52,186	53,491	54,561	55,652	56,765	57,900
Transportation	31,375	31,991	33,352	31,553	32,578	28,576	30,767	32,306	32,306	33,113	33,941	34,790	35,486	36,195	36,919	37,658
Parking	35,423	36,835	37,362	34,955	30,576	30,621	33,594	35,274	35,274	36,156	37,060	37,986	38,746	39,521	40,312	41,118
Water	36,004	41,942	29,473	35,952	36,621	39,949	40,481	42,505	42,505	43,568	44,657	45,774	46,689	47,623	48,575	49,547
Sewer	35,082	39,467	29,002	37,896	38,784	32,781	56,127	58,933	58,933	60,406	61,916	63,464	64,734	66,028	67,349	68,696
Library	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total Enterprise	\$31,260	\$34,050	\$28,948	\$32,623	\$33,273	\$30,596	\$38,662	\$40,431	\$40,392	\$41,402	\$42,437	\$43,498	\$44,368	\$45,256	\$46,161	\$47,084
Total City	\$41,903	\$44,172	\$43,892	\$45,540	\$46,570	\$42,070	\$44,727	\$47,172	\$47,201	\$48,383	\$49,585	\$50,824	\$51,841	\$52,874	\$53,925	\$55,003

(1) Most Recreation department employees are part-time employees.

(2) Includes: Auditor General, Zoning, City Council, Ombudsperson, City Clerk, and Elections.

(3) Includes: Civic Center, Human Rights, Administrative Hearings, Homeland Security, Non-departmental

## Ten-Year Financial Projections

## Benefits

(\$ in millions)

	Preliminary forecast																					
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023											
Active employees																						
						Assumed inflation	6.0%	4.0%	4.0%	4.0%	4.0%											
Medical costs per head (\$ in actuals) (1)																						
PFRS	\$	9,205	\$	8,795	\$	9,388	\$	10,051	\$	10,786	\$	11,433	\$	11,890	\$	12,366	\$	12,861	\$	13,375		
General City		8,124		7,954		8,491		9,088		9,751		10,336		10,750		11,180		11,627		12,092		
Department of Transportation		9,841		8,729		9,316		9,968		10,694		11,336		11,790		12,261		12,752		13,262		
Water/Sewer		8,421		8,309		8,871		9,493		10,187		10,799		11,231		11,680		12,147		12,633		
Library		7,441		7,240		7,708		8,255		8,854		9,385		9,761		10,151		10,557		10,980		
36 District Court		12,098		12,944		13,819		14,793		15,875		16,828		17,501		18,201		18,929		19,686		
Heads																						
PFRS		3,890		3,986		4,110		4,123		4,123		4,123		4,123		4,123		4,123		4,123		
General City		1,963		1,853		1,813		1,811		1,809		1,809		1,809		1,808		1,806		1,806		
Department of Transportation		978		1,048		1,065		1,065		1,065		1,065		1,065		1,065		1,065		1,065		
Water/Sewer		1,890		1,890		1,890		1,890		1,890		1,890		1,890		1,890		1,890		1,890		
Library		335		335		335		335		335		335		335		335		335		335		
36 District Court		362		362		362		362		362		362		362		362		362		362		
Total Active Medical costs																						
PFRS	\$	35.8	\$	35.1	\$	38.6	\$	41.4	\$	44.5	\$	47.1	\$	49.0	\$	51.0	\$	53.0	\$	55.2		
General City		15.9		14.7		15.4		16.5		17.6		18.7		19.5		20.2		21.0		21.8		
Department of Transportation		9.6		9.1		9.9		10.6		11.4		12.1		12.6		13.1		13.6		14.1		
Water/Sewer		15.9		15.7		16.8		17.9		19.3		20.4		21.2		22.1		23.0		23.9		
Library		2.5		2.4		2.6		2.8		3.0		3.1		3.3		3.4		3.5		3.7		
36 District Court		4.4		4.7		5.0		5.3		5.7		6.1		6.3		6.6		6.8		7.1		
	\$	84.2	\$	81.7	\$	88.2	\$	94.6	\$	101.5	\$	107.6	\$	111.9	\$	116.3	\$	120.9	\$	125.8		
General Fund Active Medical costs																						
PFRS	\$	35.8	\$	35.0	\$	38.5	\$	41.4	\$	44.4	\$	47.1	\$	49.0	\$	50.9	\$	53.0	\$	55.1		
General City		9.1		8.4		8.6		9.2		9.8		10.4		10.8		11.2		11.7		12.1		
36 District Court		4.4		4.7		5.0		5.3		5.7		6.1		6.3		6.6		6.8		7.1		
	\$	49.2	\$	48.0	\$	52.1	\$	55.9	\$	60.0	\$	63.6	\$	66.1	\$	68.7	\$	71.5	\$	74.3		
Retirees																						
						Assumed inflation (2)	5.0%	5.6%	3.3%	4.6%	4.2%	5.6%	5.2%	5.6%	4.9%	4.8%						
Implied Medical costs per head (\$ in actuals)	\$	10,683	\$	11,213	\$	11,836	\$	12,230	\$	12,790	\$	13,330	\$	14,078	\$	14,804	\$	15,631	\$	16,391	\$	17,178
Heads		17,027		17,027		17,027		17,027		17,027		17,027		17,027		17,027		17,027		17,027		17,027
Total Retiree Medical costs	\$	181.9	\$	190.9	\$	201.5	\$	208.2	\$	217.8	\$	227.0	\$	239.7	\$	252.1	\$	266.1	\$	279.1	\$	292.5
General Fund portion of Retiree Medical costs (3) (4)	\$	130.0	\$	138.3	\$	142.9	\$	149.4	\$	155.7	\$	164.4	\$	172.9	\$	182.6	\$	191.5	\$	200.7		
% of total		68.1%		68.6%		68.6%		68.6%		68.6%		68.6%		68.6%		68.6%		68.6%		68.6%		

Footnotes:

(1) Based on Milliman letter dated November 3, 2013, Re: City of Detroit Active Health Plan Projections.

(2) Based on census data of Retirees by department. Unknown retirees have been allocated across all non-uniform departments. Individuals having retired from departments that no longer exist have been allocated across active General Fund departments.

(3) Growth assumptions based on plan provisions outline in Milliman letter dated June 30, 2013.

(4) Retirees representing departments in transition, such as Health &amp; Wellness and PLD, have been included in the allocation across active General Fund departments.

## Ten-Year Financial Projections

## Pension

(\$ in millions)

		Preliminary forecast									
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Third-party projections</b>											
<i>Milliman</i>											
	PFRS + GRS (baseline @ 7%)	\$ 277.0	\$ 325.0	\$ 363.0	\$ 402.0	\$ 444.0	\$ 457.0	\$ 474.0	\$ 486.0	\$ 495.0	\$ 504.0
	Normal	75.0	76.0	77.0	78.0	80.0	81.0	81.5	82.0	82.6	83.1
	UAAL	43.0	64.0	87.0	110.0	135.0	137.0	138.0	139.1	140.1	141.2
	Existing DC plan (PFRS)	2.0	3.0	4.0	4.0	5.0	6.0	6.6	7.3	8.0	8.8
<b>Total City</b>											
	PFRS	\$ 139.0	\$ 163.0	\$ 180.0	\$ 198.0	\$ 217.0	\$ 219.0	\$ 224.0	\$ 225.0	\$ 222.0	\$ 221.0
	General City	54.4	63.8	72.1	80.4	89.4	93.7	98.5	102.8	107.5	111.5
	DOT	23.6	27.7	31.2	34.8	38.7	40.6	42.7	44.5	46.6	48.3
	Water/Sewer	56.7	66.6	75.2	83.9	93.3	97.8	102.8	107.3	112.2	116.3
	Library	3.4	3.9	4.5	5.0	5.5	5.8	6.1	6.4	6.6	6.9
	Total City Pension plans	\$ 277.0	\$ 325.0	\$ 363.0	\$ 402.0	\$ 444.0	\$ 457.0	\$ 474.0	\$ 486.0	\$ 495.0	\$ 504.0
	36th District Court (State plan)	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
	Total estimated City Pension	\$ 282.0	\$ 330.0	\$ 368.0	\$ 407.0	\$ 449.0	\$ 462.0	\$ 479.0	\$ 491.0	\$ 500.0	\$ 509.0
<b>General Fund</b>											
	PFRS	\$ 138.8	\$ 162.8	\$ 179.8	\$ 197.7	\$ 216.7	\$ 218.7	\$ 223.7	\$ 224.7	\$ 221.7	\$ 220.7
	General City - General Fund	33.4	39.0	43.4	48.3	53.7	56.3	59.1	61.7	64.5	66.8
	Estimated City Pension plans (GF)	\$ 172.2	\$ 201.8	\$ 223.2	\$ 246.0	\$ 270.4	\$ 275.0	\$ 282.8	\$ 286.4	\$ 286.2	\$ 287.5
	36th District Court (State plan)	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
	Total estimated GF Pension	\$ 177.2	\$ 206.8	\$ 228.1	\$ 251.0	\$ 275.4	\$ 280.0	\$ 287.8	\$ 291.4	\$ 291.1	\$ 292.5
<b>Pension unfunded liability</b>											
	PFRS	\$ 1,446.0	\$ 1,428.0	\$ 1,389.0	\$ 1,327.0	\$ 1,241.0	\$ 1,148.0	\$ 1,040.0	\$ 925.0	n/a	n/a
	GRS	2,077.0	2,095.0	2,095.0	2,075.0	2,031.0	1,976.0	1,906.0	1,821.0	n/a	n/a

Footnotes:

(1) Actual FY13 pension expenses accrued are being investigated.

## Ten-Year Financial Projections

## Debt summary

(\$ in millions)

	Type	Funding source	Maturity	Interest rate	Beg. Bal. 2013	Paid by General Fund							
	LTGO	Sr. Lien on DSA & Self-Insurance	2013-2035	4.00%-8.00%	\$ 452.6	✓							
	Refinance (LTGO)	3rd Lien on DSA	2033	2.50%-5.30%	129.5	✓							
	UTGO	Property taxes	2014-2028	3.75%-5.375%	510.8								
	Capital Lease	n/a	n/a	n/a	1.6	✓							
	POC	n/a	2025-2035	Floating-5.989%	1,451.9	Portion							
	POC swap	Wagering taxes	2029-2034	6.323%-6.356%	n/a	✓							
		Total principal			<u>\$ 2,546.4</u>								
Preliminary forecast													Partially General Fund
Debt Service	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
<u>Principal</u>													
LTGO	\$ 41.8	\$ 47.7	\$ 33.5	\$ 35.1	\$ 13.6	\$ 14.2	\$ 14.9	\$ 15.7	\$ 16.8	\$ 16.0	\$ 16.7	✓	
Refinance (LTGO)	-	2.9	4.4	4.6	4.9	5.1	5.3	5.6	5.8	6.1	6.5	✓	
UTGO	41.7	39.8	37.9	34.9	36.7	37.5	37.0	38.2	39.5	26.6	24.2		
Capital Lease	0.5	0.1	-	-	-	-	-	-	-	-	-	✓	
Total debt principal	84.0	90.5	75.8	74.6	55.1	56.8	57.2	59.4	62.1	48.7	47.3		
<u>Interest</u>													
LTGO	23.3	21.3	18.2	16.5	14.8	14.1	13.4	12.7	11.9	11.1	10.4	✓	
Refinance (LTGO)	4.2	6.1	6.0	5.8	5.6	5.4	5.1	4.9	4.7	4.4	4.1	✓	
UTGO	28.9	26.7	24.7	22.8	21.0	19.1	17.1	15.2	13.2	11.2	9.7		
Capital Lease	0.0	0.0	-	-	-	-	-	-	-	-	-	✓	
Total debt interest	56.4	54.1	48.9	45.2	41.4	38.6	35.7	32.8	29.8	26.6	24.2		
GF adjustment (1)	2.7	-	-	-	-	-	-	-	-	-	-		
Total debt service	<u>\$ 143.1</u>	<u>\$ 144.6</u>	<u>\$ 124.7</u>	<u>\$ 119.8</u>	<u>\$ 96.5</u>	<u>\$ 95.4</u>	<u>\$ 92.9</u>	<u>\$ 92.3</u>	<u>\$ 91.9</u>	<u>\$ 75.3</u>	<u>\$ 71.5</u>		
GF debt service (LTGO)	\$ 72.6	\$ 78.1	\$ 62.1	\$ 62.1	\$ 38.9	\$ 38.8	\$ 38.8	\$ 38.9	\$ 39.3	\$ 37.6	\$ 37.5		
Debt service fund (UTGO) (2)	70.6	66.5	62.6	57.7	57.6	56.5	54.1	53.4	52.7	37.7	33.9		
<u>POC (3)</u>													
<u>Principal</u>													
POC - Governmental	\$ 18.4	\$ 23.6	\$ 26.5	\$ 29.4	\$ 32.6	\$ 36.1	\$ 36.4	\$ 38.3	\$ 40.3	\$ 42.4	\$ 44.6	✓	
POC - EF (incl. DDOT)	4.7	6.0	6.8	7.5	8.3	9.2	9.3	9.8	10.3	10.8	11.4		
Total POC principal	23.1	29.6	33.3	37.0	41.0	45.3	45.7	48.1	50.6	53.2	56.0		
<u>Interest</u>													
POC - Governmental	30.3	29.5	28.4	27.2	25.8	24.2	22.5	21.2	19.8	18.3	16.6	✓	
POC - EF (incl. DDOT)	7.7	7.5	7.3	6.9	6.6	6.2	5.7	5.4	5.1	4.7	4.2		
POC swap - Governmental	40.6	40.6	40.6	40.6	40.6	40.6	40.6	39.8	39.1	38.5	37.9	✓	
POC swap - EF (incl. DDOT)	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.2	5.1	5.0	4.9		
Total POC interest	84.0	82.9	81.5	80.0	78.2	76.2	74.1	71.6	69.1	66.4	63.6		
Total POC	<u>\$ 107.1</u>	<u>\$ 112.6</u>	<u>\$ 114.8</u>	<u>\$ 116.9</u>	<u>\$ 119.2</u>	<u>\$ 121.5</u>	<u>\$ 119.7</u>	<u>\$ 119.7</u>	<u>\$ 119.7</u>	<u>\$ 119.7</u>	<u>\$ 119.7</u>		
Total POC - Governmental	\$ 89.3	\$ 93.7	\$ 95.5	\$ 97.2	\$ 99.0	\$ 100.8	\$ 99.4	\$ 99.3	\$ 99.2	\$ 99.2	\$ 99.1		
General Fund adjustment (1)	(11.4)	(15.2)	(15.6)	(16.4)	(16.8)	(17.2)	(16.9)	(17.0)	(17.1)	(17.1)	(17.2)		
General Fund POC	<u>\$ 77.9</u>	<u>\$ 78.5</u>	<u>\$ 79.8</u>	<u>\$ 80.8</u>	<u>\$ 82.2</u>	<u>\$ 83.6</u>	<u>\$ 82.5</u>	<u>\$ 82.3</u>	<u>\$ 82.2</u>	<u>\$ 82.0</u>	<u>\$ 81.9</u>	✓	
<u>Debt service + POC</u>													
Total GF debt service + POC	\$ 150.5	\$ 156.6	\$ 141.9	\$ 142.9	\$ 121.0	\$ 122.4	\$ 121.3	\$ 121.2	\$ 121.5	\$ 119.6	\$ 119.4		
POC allocation to enterprise and other funds	29.1	34.0	35.0	36.1	37.0	37.9	37.3	37.4	37.5	37.7	37.8		
Debt service fund (UTGO debt service)	70.6	66.5	62.6	57.7	57.6	56.5	54.1	53.4	52.7	37.7	33.9		
Total	<u>\$ 250.2</u>	<u>\$ 257.2</u>	<u>\$ 239.5</u>	<u>\$ 236.7</u>	<u>\$ 215.7</u>	<u>\$ 216.9</u>	<u>\$ 212.7</u>	<u>\$ 212.0</u>	<u>\$ 211.6</u>	<u>\$ 195.0</u>	<u>\$ 191.1</u>		

Footnotes:

(1) Represents allocations to/from other funds/departments.

(2) UTGO debt service already accounted for within gross property taxes, from which a transfer is made to the Debt Service fund.

(3) See Appendix D.2 for additional POC allocation detail.

Ten-Year Financial Projections

POC summary

(\$ in millions)

		Preliminary forecast									
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total POC payments											
Total Principal Payments		\$ (29.6)	\$ (33.3)	\$ (37.0)	\$ (41.0)	\$ (45.3)	\$ (45.7)	\$ (48.1)	\$ (50.6)	\$ (53.2)	\$ (56.0)
Total Interest Payments		(32.2)	(30.8)	(29.3)	(27.5)	(25.5)	(23.4)	(21.9)	(20.2)	(18.4)	(16.3)
Total Quarterly Interest (Part of Set-Aside Requirements)		(4.8)	(4.8)	(4.8)	(4.8)	(4.8)	(4.8)	(4.8)	(4.7)	(4.6)	(4.5)
Total Interest Swap Payments - PFRS (1)		(29.6)	(29.6)	(29.6)	(29.6)	(29.6)	(29.6)	(29.1)	(28.5)	(28.1)	(27.6)
Total Interest Swap Payments - GRS (1)		(16.3)	(16.3)	(16.3)	(16.3)	(16.3)	(16.3)	(16.0)	(15.7)	(15.4)	(15.2)
Total payments		\$ (112.6)	\$ (114.8)	\$ (116.9)	\$ (119.2)	\$ (121.5)	\$ (119.7)	\$ (119.7)	\$ (119.7)	\$ (119.7)	\$ (119.7)
POC payments by Pension system											
PFRS											
Principal		\$ (11.1)	\$ (12.4)	\$ (13.8)	\$ (15.3)	\$ (16.9)	\$ (17.1)	\$ (18.0)	\$ (18.9)	\$ (19.9)	\$ (21.0)
Interest		(12.0)	(11.5)	(11.0)	(10.3)	(9.6)	(8.7)	(8.2)	(7.6)	(6.9)	(6.1)
Quarterly		(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.7)	(1.7)	(1.7)
Swap		(29.6)	(29.6)	(29.6)	(29.6)	(29.6)	(29.6)	(29.1)	(28.5)	(28.1)	(27.6)
Subtotal: PFRS		(54.6)	(55.4)	(56.2)	(57.0)	(57.9)	(57.2)	(57.0)	(56.8)	(56.6)	(56.4)
DGRS											
Principal		(18.6)	(20.8)	(23.1)	(25.6)	(28.3)	(28.6)	(30.1)	(31.7)	(33.3)	(35.1)
Interest		(20.1)	(19.3)	(18.3)	(17.2)	(16.0)	(14.6)	(13.7)	(12.7)	(11.5)	(10.2)
Quarterly		(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(2.9)	(2.9)	(2.8)
Swap		(16.3)	(16.3)	(16.3)	(16.3)	(16.3)	(16.3)	(16.0)	(15.7)	(15.4)	(15.2)
Subtotal: DGRS		(58.0)	(59.4)	(60.8)	(62.2)	(63.6)	(62.5)	(62.7)	(62.9)	(63.1)	(63.3)
Total payments		\$ (112.6)	\$ (114.8)	\$ (116.9)	\$ (119.2)	\$ (121.5)	\$ (119.7)	\$ (119.7)	\$ (119.7)	\$ (119.7)	\$ (119.7)
DGRS POC payments by funding group											
DDOT	11.4%	\$ (6.6)	\$ (6.8)	\$ (6.9)	\$ (7.1)	\$ (7.3)	\$ (7.1)	\$ (7.2)	\$ (7.2)	\$ (7.2)	\$ (7.2)
Water/Sewer	18.5%	(10.7)	(11.0)	(11.2)	(11.5)	(11.7)	(11.5)	(11.6)	(11.6)	(11.6)	(11.7)
Library	2.6%	(1.5)	(1.6)	(1.6)	(1.6)	(1.7)	(1.6)	(1.7)	(1.7)	(1.7)	(1.7)
General City (2)	67.5%	(39.1)	(40.1)	(41.0)	(41.9)	(42.9)	(42.2)	(42.3)	(42.5)	(42.6)	(42.7)
Total GRS payments	100.0%	\$ (58.0)	\$ (59.4)	\$ (60.8)	\$ (62.2)	\$ (63.6)	\$ (62.5)	\$ (62.7)	\$ (62.9)	\$ (63.1)	\$ (63.3)
POC Swap payments by funding group											
PFRS		\$ (29.6)	\$ (29.6)	\$ (29.6)	\$ (29.6)	\$ (29.6)	\$ (29.6)	\$ (29.1)	\$ (28.5)	\$ (28.1)	\$ (27.6)
DDOT		(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.9)	(1.8)	(1.8)	(1.8)	(1.7)
Water/Sewer		(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(2.9)	(2.9)	(2.8)	(2.8)
Library		(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
General City (2)		(11.0)	(11.0)	(11.0)	(11.0)	(11.0)	(11.0)	(10.8)	(10.6)	(10.4)	(10.2)
Total POC swap payments		\$ (45.9)	\$ (45.9)	\$ (45.9)	\$ (45.9)	\$ (45.9)	\$ (45.9)	\$ (45.0)	\$ (44.2)	\$ (43.5)	\$ (42.8)
Supporting allocations											
		Allocations									
Funding Group		2005-A 2006-A, 2006-B Refunding Transaction	Principal & Interest	GRS Swap	PFRS Swap						
DDOT		\$ 106.3	7.2%	11.4%	0.0%						
Water/Sewer		171.4	11.5%	18.5%	0.0%						
Library		24.5	1.6%	2.6%	0.0%						
General City (2)		626.9	42.2%	67.5%	0.0%						
Subtotal: DGRS		\$ 929.1	62.6%	100.0%	0.0%						
PFRS		\$ 555.4	37.4%	0.0%	100.0%						
Total		\$ 1,484.5	100.0%	100.0%	100.0%						

Footnotes:  
(1) Allocation of swap interest based on \$283.7 million of notional principal for GRS and \$516.3 million of notional principal for PFRS.  
(2) General City is comprised of a General Fund component as well as a portion allocated to other funds (i.e. Solid Waste fund, Street funds, and certain cost centers within Planning & Development, BSEED and Parking).

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**EXHIBIT K**

**FORTY-YEAR FINANCIAL PROJECTIONS**

City of Detroit  
Plan of Adjustment - 40 year projections

The attached Plan of Adjustment preliminary forecast (the “POA Financial Projections”), its assumptions and underlying data are the product of the Client and its management (“Management”) and consist of information obtained solely from the Client. With respect to prospective financial information relative to the Client, Ernst & Young LLP (“EY”) did not examine, compile or apply agreed upon procedures to such information in accordance with attestation standards established by the AICPA and EY expresses no assurance of any kind on the information presented. It is the Client’s responsibility to make its own decision based on the information available to it. Management has the knowledge, experience and ability to form its own conclusions related to the Client’s POA Financial Projections. There will usually be differences between forecasted and actual results because events and circumstances frequently do not occur as expected and those differences may be material. EY takes no responsibility for the achievement of forecasted results. Accordingly, reliance on this report is prohibited by any third party as the projected financial information contained herein is subject to material change and may not reflect actual results.



## Plan of Adjustment - 40 year projections

## Assumptions

(\$ in millions)

## Plan of Adjustment - 40 year projections

General Fund Cash Flows	GF 40yr cash flows	\$4.2b funds available for unsecured claims
	DIP financing	Quality of Life (\$120m @ 6.5% assumed to be refinanced as part of exit facility)
	Exit financing	\$300m note @ 6.0% maturing in FY23
	Swap treatment	\$85m settlement
	Contingency	Reflects 1.0% of total revenues
Revenue stream from DWSD	Pension	\$429m for pension in the first 10 years
	OPEB	12.1% of OPEB - current retirees payments
	POC	11.5% of total POC payments
Reimbursement from other funds	Reimbursements from Parking (non-GF) and Library	
Hypothetical art proceeds (a)	Foundations	\$366m over 20 years
	DIA	\$100m over 20 years
Hypothetical State settlement (a)	Contributions to pension	\$195m in FY15
Hypothetical claims treatment		
PFRS		
Pension	Contributions (years 1-10)	Estimated to be \$261m from foundations / State settlement
	Contributions (years 11-40)	UAAL as of June 30, 2023 estimated to be ~\$681m (b) amortized over 30yr, including contributions in second decade from DIA and foundations
	Discount rate	6.75%
	Targeted funded status as of 2023	78%
GRS		
Pension	Contributions (years 1-10)	Estimated to be \$99m from State settlement; \$429m from DWSD; \$45m from DIA; \$146m from GF & other funds
	Contributions (years 11-40)	UAAL as of June 30, 2023 estimated to be ~\$695m (b) amortized over 30yr, including contributions in second decade from DIA and foundations
	Discount rate	6.75%
	Targeted funded status as of 2023	70%
UTGO	Hypothetical Note A	\$287.5m note funded with pass-through UTGO millage
Other unsecured	Hypothetical Notes B	\$650m note paid over 30 years - \$450m OPEB, \$18m LTGO, \$162m POC, \$4m notes/loans and \$16m other

Footnotes:

- (a) Hypothetical art and State settlement proceeds are subject to a consensual agreement with respect to the treatment of pension-related claims.
- (b) Estimated pension contributions to retirement systems and unfunded pension liabilities as of June 30, 2023 are subject to change.

## Plan of Adjustment - 40 year projections

## Recovery summary

(\$ in millions)

## 10 Years

10 Years		Hypothetical distributions					
Creditor	Claim	State settlement	Art proceeds	Cash	Notes		10 year
					A (UTGO)	B	\$
PFRS pension	\$1,250	\$96	\$165				\$261
GRS pension	\$1,879	\$99	\$45	\$575			\$719
PFRS OPEB	\$2,208			\$9		\$79	\$88
GRS OPEB	\$2,095			\$11		\$74	\$85
UTGO	\$388				\$328		\$328
LTGO	\$164					\$6	\$6
POC	\$1,473					\$55	\$55
Notes/loans payable	\$34					\$1	\$1
Other unsecured items	\$150					\$6	\$6
	\$9,640	\$195	\$210	\$595	\$328	\$221	\$1,548

## 40 Years

40 Years		Hypothetical distributions									
Creditor	Claim	State settlement	Art proceeds	Cash	Notes		Illustrative Recoveries				Adjusted
					A (UTGO)	B	\$	\$ PV (a)	%		%
PFRS pension	\$1,250	\$96	\$233	\$1,325			\$1,654	\$735	59%	Excludes State, Foundation, and DIA proceeds	39%
GRS pension	\$1,879	\$99	\$233	\$1,809			\$2,141	\$1,118	60%		48%
PFRS OPEB	\$2,208			\$9		\$436	\$445	\$212	10%		
GRS OPEB	\$2,095			\$11		\$409	\$420	\$201	10%		
UTGO	\$388				\$368		\$368	\$288	74%		
LTGO	\$164					\$34	\$34	\$16	10%		
POC	\$1,473					\$304	\$304	\$141	10%		
Notes/loans payable	\$34					\$7	\$7	\$3	10%		
Other unsecured items	\$150					\$31	\$31	\$14	10%		
	\$9,640	\$195	\$466	\$3,154	\$368	\$1,221	\$5,404	\$2,730	28%		

## Description of Hypothetical notes

Note	Face value	Interest rate	Recipients	Term	Comments
Note A	\$287.5	n/a	UTGO	14 years	Represents ~87% of UTGO scheduled debt service
Note B	\$650.0	4%, 4%, 6%	OPEB, LTGO, POC, Notes & Other unsec.	30 years	10 yrs interest only, and straight-line amortization thereafter

## Footnotes:

(a) Present value amounts calculated assuming 5% discount rate

## Plan of Adjustment - 40 year projections

## Preliminary forecast and distributions

(\$ in millions)

		2014- 2023	2024- 2023	2034- 2043	2044- 2053	40-year total
Revenues	<u>Growth after FY23</u>					
Municipal income tax	2.4% - 2.8%	\$ 2,770.2	\$ 3,510.0	\$ 4,590.6	\$ 6,059.3	\$ 16,930.1
State revenue sharing	0.1% - 1.7%	1,963.9	2,076.3	2,262.5	2,488.6	8,791.3
Wagering taxes	1.0%	1,745.7	1,924.6	2,126.0	2,348.4	8,144.7
Property taxes	1.5% - 2.2%	1,089.7	1,368.5	1,638.6	1,901.7	5,998.4
Utility users' taxes	1.5% - 1.7%	257.2	304.3	353.2	409.9	1,324.6
Sales and charges for services	2.0%	1,118.9	1,162.6	1,417.2	1,727.5	5,426.2
Other revenue	2.0%	712.8	753.5	918.5	1,119.7	3,504.5
General Fund reimbursements	2.0%	264.1	238.8	291.1	354.9	1,149.0
Transfers in for UTGO	n/a	532.8	147.6	22.1	-	702.4
Restructuring:						
Department revenue initiatives	2.0%	477.2	578.3	704.9	859.3	2,619.6
QOL / exit financing proceeds (net)	n/a	292.7	-	-	-	292.7
Total revenues		11,225.1	12,064.6	14,324.6	17,269.2	54,883.5
Expenditures						
Salaries/overtime/fringe - Public Safety	2.0% - 2.25%	(2,858.7)	(3,524.5)	(4,356.5)	(5,442.1)	(16,181.8)
Salaries/overtime/fringe - Non-Public Safety	2.0% - 2.25%	(901.6)	(1,087.2)	(1,343.9)	(1,678.8)	(5,011.5)
Health benefits (a)	~4% inflation cap beg. FY20	(752.3)	(928.2)	(1,373.9)	(2,033.7)	(5,088.1)
OPEB payments - future retirees	~1% of wages uniform / 2% of wages non-uniform	(43.9)	(53.5)	(65.6)	(81.1)	(244.1)
Active pension plan	11.2%/12.25% uniform / 5.75% non-uniform	(326.7)	(417.5)	(515.6)	(643.2)	(1,903.0)
Other operating expenses	2.0%	(3,013.7)	(3,436.4)	(4,189.0)	(5,106.4)	(15,745.5)
Restructuring:						
Additional operating expenditures	2.0%	(368.9)	(379.2)	(462.3)	(563.5)	(1,774.0)
Working capital	n/a	(24.8)	-	-	-	(24.8)
Secured debt service	n/a	(390.5)	(391.0)	(67.2)	-	(848.6)
Contributions to income stabilization fund	n/a	(17.8)	(2.2)	-	-	(20.0)
Swap interest set-aside	n/a	(103.7)	-	-	-	(103.7)
QOL / exit financing principal/interest payments	n/a	(420.9)	-	-	-	(420.9)
Reorganization (Capital investments)	2.0%	(609.4)	(415.4)	(501.4)	(605.3)	(2,131.5)
Restructuring professional fees	n/a	(130.0)	-	-	-	(130.0)
Blight (excludes heavy commercial)	n/a	(420.0)	-	-	-	(420.0)
PLD decommission	n/a	(75.0)	-	-	-	(75.0)
Contingency	n/a	(101.1)	(120.6)	(143.2)	(172.7)	(537.7)
Reinvestment deferrals	n/a	45.2	146.6	52.3	(244.2)	-
Total expenditures		(10,513.8)	(10,609.2)	(12,966.2)	(16,570.9)	(50,660.1)
Funds available for unsecured claims		\$ 711.3	\$ 1,455.3	\$ 1,358.4	\$ 698.3	\$ 4,223.4

Footnotes:

(a) Health benefits include \$142.8m of OPEB payments for current retirees in FY 2014 (\$123.8m) and FY 2015 (\$19m).

Plan of Adjustment - 40 year projections  
Preliminary forecast and distributions  
(\$ in millions)

Sources

	2014- 2023	2024- 2033	2034- 2043	2044- 2053	40-year total
Funds available for unsecured claims	\$ 711.3	\$ 1,455.3	\$ 1,358.4	\$ 698.3	\$ 4,223.4
Revenue stream from DWSD - no transaction					
Pension	428.5	-	-	-	428.5
OPEB (based on 12.1% of OPEB - current retirees payments)	19.9	41.4	39.1	3.0	103.5
POC (based on 11.5% of total POC payments)	6.4	14.2	13.5	1.0	35.1
Sub-total: Revenue stream from DWSD	454.8	55.7	52.6	4.1	567.1
Reimbursement from other funds	27.6	32.9	25.3	15.3	101.1
Hypothetical art proceeds					
Foundation fundraising	164.7	201.3	-	-	366.0
DIA contributions	45.0	55.0	-	-	100.0
State settlement	194.8	-	-	-	194.8
Total hypothetical sources	\$ 1,598.2	\$ 1,800.2	\$ 1,436.3	\$ 717.7	\$ 5,552.4

Uses

Hypothetical retiree payments					
PFRS pension payments	(260.7)	(617.7)	(464.5)	(311.3)	(1,654.2)
GRS pension payments	(718.6)	(630.4)	(474.0)	(317.7)	(2,140.7)
PFRS OPEB payments - current retirees	(9.1)	-	-	-	(9.1)
GRS OPEB payments - current retirees	(10.9)	-	-	-	(10.9)
Subtotal: hypothetical retiree distributions	(999.3)	(1,248.1)	(938.5)	(628.9)	(3,814.9)
Hypothetical notes					
Note A (UTGO)	(327.5)	(40.8)	-	-	(368.4)
Note B (\$650m - 10yr Interest only)	(221.0)	(495.4)	(468.0)	(36.3)	(1,220.6)
Subtotal: hypothetical notes	(548.5)	(536.2)	(468.0)	(36.3)	(1,589.0)
Total hypothetical distributions / total uses	\$ (1,547.8)	\$ (1,784.3)	\$ (1,406.5)	\$ (665.2)	\$ (5,403.9)
Surplus / (deficit)	\$ 50.4	\$ 15.8	\$ 29.7	\$ 52.5	\$ 148.5
Ending cash balance	\$ 86.4	\$ 102.2	\$ 131.9	\$ 184.5	\$ 184.5

## Plan of Adjustment - 40 year projections

## Preliminary forecast and distributions

(\$ in millions)

## Total distributions to creditors

	2014- 2023	2024- 2033	2034- 2043	2044- 2053	40-year total
PFRS pension (c)	\$ (260.7)	\$ (617.7)	\$ (464.5)	\$ (311.3)	\$ (1,654.2)
GRS pension (c)	(718.6)	(630.4)	(474.0)	(317.7)	(2,140.7)
PFRS OPEB	(9.1)	-	-	-	(9.1)
GRS OPEB	(10.9)	-	-	-	(10.9)
UTGO (Note A)	(327.5)	(40.8)	-	-	(368.4)
<u>Note B</u>					
PFRS OPEB	(78.9)	(176.9)	(167.2)	(13.0)	(436.0)
GRS OPEB	(74.1)	(166.0)	(156.8)	(12.2)	(409.0)
LTGO	(6.1)	(13.7)	(12.9)	(1.0)	(33.7)
POC	(55.0)	(123.4)	(116.5)	(9.0)	(304.0)
Notes/loans payable	(1.3)	(2.8)	(2.7)	(0.2)	(6.9)
Other unsecured items	(5.6)	(12.6)	(11.9)	(0.9)	(31.0)
Total hypothetical distributions to unsecured creditors	(1,547.8)	(1,784.3)	(1,406.5)	(665.2)	(5,403.9)
Total secured debt service (including QOL/Exit financing)	(811.4)	(391.0)	(67.2)	-	(1,269.5)
Total distributions to creditors	\$ (2,359.2)	\$ (2,175.3)	\$ (1,473.7)	\$ (665.2)	\$ (6,673.5)
Percentage of total revenues (including other sources)	19.5%	17.5%	10.2%	3.8%	11.9%

	Claims (a)		40 years			
	\$ in millions	%	Nominal (b)	%	PV @ 5.0% (b)	%
PFRS pension (c)	1,250.0	13%	1,325.2	106%	481.8	39%
GRS pension (c)	1,879.0	19%	1,808.9	96%	895.5	48%
PFRS OPEB	2,207.8	23%	445.1	20%	211.9	10%
GRS OPEB	2,095.2	22%	419.9	20%	201.1	10%
Sub-total: Pension and OPEB	7,432.1	77%	3,999.2	54%	1,790.3	24%
UTGO (Note A)	387.9	4%	368.4	95%	288.4	74%
<u>Notes B (excl. OPEB)</u>						
LTGO	163.5	2%	33.7	21%	15.7	10%
POC	1,472.9	15%	304.0	21%	141.4	10%
Notes/loans payable	33.6	0%	6.9	21%	3.2	10%
Other unsecured items	150.0	2%	31.0	21%	14.4	10%
Sub-total: Note B (excl. OPEB)	1,820.1	19%	375.6	21%	174.7	10%
Total	\$ 9,640.0	100%	\$ 4,743.1	49%	\$ 2,253.4	23%

## Footnotes:

(a) Subject to ongoing legal review/negotiation. Final allowed claim amounts under these categories may be materially different.

(b) Nominal pension system payments have each been adjusted by \$661m for PFRS and GRS combined (State settlement &amp; art proceeds) for the calculation of recoveries.

(c) Retirement system pension claims based on actuarial valuation as of June 30, 2013.

## Plan of Adjustment - 40 year projections

## Preliminary forecast and distributions

(\$ in millions)

	Preliminary forecast										2014- 2023
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Revenues											
Municipal income tax	\$ 247.9	\$ 256.2	\$ 262.3	\$ 268.3	\$ 274.0	\$ 279.9	\$ 286.0	\$ 292.2	\$ 298.5	\$ 304.9	\$ 2,770.2
State revenue sharing	191.5	192.9	194.5	196.1	197.8	199.6	201.4	194.9	196.6	198.3	1,963.9
Wagering taxes	169.9	168.2	169.9	171.6	173.3	175.0	176.8	178.5	180.3	182.1	1,745.7
Property taxes	114.9	104.5	106.8	105.2	105.3	106.6	106.8	109.6	113.2	116.9	1,089.7
Utility users' taxes	20.1	24.5	24.9	25.5	26.0	26.4	26.8	27.2	27.6	28.0	257.2
Sales and charges for services	131.5	118.0	115.8	113.7	111.5	109.3	107.1	104.5	103.4	104.1	1,118.9
Other revenue	86.3	80.1	78.7	67.3	66.0	66.3	66.6	66.9	67.2	67.5	712.8
General Fund reimbursements	29.8	42.9	41.7	21.4	21.4	21.4	21.4	21.4	21.4	21.4	264.1
Transfers in for UTGO	66.5	62.6	57.7	57.6	56.5	54.1	53.4	52.7	37.7	33.9	532.8
Restructuring:											
Department revenue initiatives	7.2	72.0	48.3	53.0	56.2	45.8	46.2	46.1	50.6	51.8	477.2
QOL / exit financing proceeds (net)	52.5	240.2	-	-	-	-	-	-	-	-	292.7
Total revenues	1,118.2	1,362.1	1,100.7	1,079.6	1,088.1	1,084.5	1,092.4	1,094.0	1,096.5	1,109.0	11,225.1
Expenditures											
Salaries/overtime/fringe - Public Safety	(245.2)	(264.1)	(270.3)	(277.5)	(284.4)	(291.5)	(297.4)	(303.3)	(309.4)	(315.6)	(2,858.7)
Salaries/overtime/fringe - Non-Public Safety	(85.7)	(86.9)	(86.0)	(86.1)	(88.0)	(90.2)	(92.0)	(93.8)	(95.4)	(97.3)	(901.6)
Health benefits (a)	(173.0)	(67.1)	(52.1)	(55.9)	(60.0)	(63.6)	(66.1)	(68.7)	(71.5)	(74.3)	(752.3)
OPEB payments - future retirees	(3.9)	(4.1)	(4.2)	(4.3)	(4.4)	(4.5)	(4.5)	(4.6)	(4.7)	(4.8)	(43.9)
Active pension plan	(17.0)	(31.4)	(32.0)	(32.9)	(33.7)	(34.5)	(35.2)	(35.9)	(36.6)	(37.4)	(326.7)
Other operating expenses	(290.9)	(313.6)	(312.8)	(293.3)	(296.7)	(295.7)	(297.6)	(299.4)	(306.1)	(307.7)	(3,013.7)
Restructuring:											
Additional operating expenditures	(12.6)	(68.9)	(51.3)	(42.6)	(32.9)	(29.7)	(32.2)	(31.7)	(33.1)	(34.0)	(368.9)
Working capital	(39.8)	15.0	-	-	-	-	-	-	-	-	(24.8)
Secured debt service	(35.4)	(39.4)	(39.4)	(39.4)	(39.4)	(39.4)	(39.5)	(39.5)	(39.5)	(39.6)	(390.5)
Contributions to income stabilization fund	-	(2.5)	(2.3)	(2.3)	(2.2)	(2.1)	(2.1)	(2.0)	(1.3)	(1.1)	(17.8)
Swap interest set-aside	(45.9)	(57.8)	-	-	-	-	-	-	-	-	(103.7)
QOL / exit financing principal/interest payments	(1.3)	(14.6)	(18.0)	(18.0)	(18.0)	(68.0)	(90.0)	(85.5)	(81.0)	(26.5)	(420.9)
Reorganization (Capital investments)	(31.2)	(152.1)	(91.0)	(61.7)	(52.4)	(49.3)	(45.5)	(44.4)	(41.8)	(40.0)	(609.4)
Restructuring professional fees	(82.2)	(47.8)	-	-	-	-	-	-	-	-	(130.0)
Blight (excludes heavy commercial)	(2.0)	(98.0)	(80.0)	(80.0)	(80.0)	(80.0)	-	-	-	-	(420.0)
PLD decommission	-	(25.0)	(25.0)	(25.0)	-	-	-	-	-	-	(75.0)
Contingency	-	(13.6)	(11.0)	(10.8)	(10.9)	(10.8)	(10.9)	(10.9)	(11.0)	(11.1)	(101.1)
Reinvestment deferrals	-	-	62.5	38.0	1.7	59.4	(15.4)	(10.9)	(16.0)	(74.2)	45.2
Total expenditures	(1,066.2)	(1,271.9)	(1,012.7)	(991.7)	(1,001.2)	(1,000.0)	(1,028.4)	(1,030.7)	(1,047.5)	(1,063.6)	(10,513.8)
Funds available for unsecured claims	\$ 51.9	\$ 90.3	\$ 88.0	\$ 87.9	\$ 86.9	\$ 84.5	\$ 64.0	\$ 63.3	\$ 49.1	\$ 45.4	\$ 711.3

Footnotes:

(a) Health benefits include \$142.8m of OPEB payments for current retirees in FY 2014 (\$123.8m) and FY 2015 (\$19m).

## Plan of Adjustment - 40 year projections

## Preliminary forecast and distributions

(\$ in millions)

Sources

	Preliminary forecast										2014-2023
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Funds available for unsecured claims	\$ 51.9	\$ 90.3	\$ 88.0	\$ 87.9	\$ 86.9	\$ 84.5	\$ 64.0	\$ 63.3	\$ 49.1	\$ 45.4	\$ 711.3
Revenue stream from DWSD - no transaction											
Pension	-	65.4	45.4	45.4	45.4	45.4	45.4	45.4	45.4	45.4	428.5
OPEB (based on 12.1% of OPEB - current retirees payments)	-	2.5	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	19.9
POC (based on 11.5% of total POC payments)	-	0.4	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	6.4
Sub-total: Revenue stream from DWSD	-	68.3	48.3	48.3	48.3	48.3	48.3	48.3	48.3	48.3	454.8
Reimbursement from other funds	-	3.1	3.1	3.1	3.1	3.1	3.0	3.0	3.0	3.0	27.6
Hypothetical art proceeds											
Foundation fundraising	-	18.3	18.3	18.3	18.3	18.3	18.3	18.3	18.3	18.3	164.7
DIA contributions	-	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	45.0
State settlement	-	194.8	-	-	-	-	-	-	-	-	194.8
Total hypothetical sources	\$ 51.9	\$ 379.8	\$ 162.7	\$ 162.7	\$ 161.6	\$ 159.3	\$ 138.6	\$ 137.9	\$ 123.7	\$ 120.0	\$ 1,598.2

Uses

Hypothetical retiree payments											
PFRS pension payments	-	(114.3)	(18.3)	(18.3)	(18.3)	(18.3)	(18.3)	(18.3)	(18.3)	(18.3)	(260.7)
GRS pension payments	-	(188.2)	(76.9)	(76.9)	(76.8)	(76.6)	(56.5)	(56.5)	(55.2)	(54.9)	(718.6)
PFRS OPEB payments - current retirees	(9.1)	-	-	-	-	-	-	-	-	-	(9.1)
GRS OPEB payments - current retirees	(10.9)	-	-	-	-	-	-	-	-	-	(10.9)
Subtotal: hypothetical retiree distributions	(20.0)	(302.5)	(95.2)	(95.2)	(95.1)	(94.9)	(74.8)	(74.8)	(73.5)	(73.2)	(999.3)
Hypothetical notes											
Note A (UTGO)	-	(45.8)	(41.5)	(41.5)	(40.5)	(38.4)	(37.8)	(37.1)	(24.1)	(20.8)	(327.5)
Note B (\$650m - 10yr Interest only)	-	(13.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(221.0)
Subtotal: hypothetical notes	-	(58.8)	(67.5)	(67.5)	(66.5)	(64.4)	(63.8)	(63.1)	(50.1)	(46.8)	(548.5)
Total hypothetical distributions / total uses	\$ (20.0)	\$ (361.4)	\$ (162.7)	\$ (162.7)	\$ (161.6)	\$ (159.3)	\$ (138.6)	\$ (137.9)	\$ (123.7)	\$ (120.0)	\$ (1,547.8)
Surplus / (deficit)	\$ 32.0	\$ 18.4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50.4
Ending cash balance	\$ 68.0	\$ 86.4	\$ 86.4	\$ 86.4	\$ 86.4	\$ 86.4	\$ 86.4	\$ 86.4	\$ 86.4	\$ 86.4	\$ 86.4

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**EXHIBIT L**

**DWSD CURRENT AND HISTORICAL FINANCIAL INFORMATION**

**City of Detroit**  
**Detroit Water and Sewer Department**  
**Water Fund**  
**Historical Water Fund Income Statement**

	For the Fiscal Year Ended					
	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012	6/30/2013
Water Sales - Detroit	\$ 74,442,186	\$ 65,360,449	\$ 65,580,546	\$ 74,810,362	\$ 71,540,060	\$ 75,653,761
Water Sales - Suburban	216,867,005	206,282,285	210,662,057	237,099,865	258,587,439	275,185,243
Miscellaneous	1,674,029	2,452,729	9,227,823	4,091,974	6,002,446	4,688,757
Total Revenues	292,983,220	274,095,463	285,470,426	316,002,201	336,129,945	355,527,761
Source of Supply	1,991,566	1,435,307	1,600,836	5,683,036	9,680,853	3,787,570
Low-lift Pumping	5,070,132	6,136,788	4,897,562	8,269,998	8,145,801	7,152,542
High-lift Pumping	21,329,905	22,052,260	17,971,502	19,581,883	22,998,901	21,686,100
Purification	17,077,316	19,062,007	15,464,412	17,681,131	19,335,784	15,998,705
Water Quality Operations	1,244,597	1,111,392	792,590	787,600	815,616	782,672
Pumping Stations	0	0	0	16,741,756	24,908,886	19,328,514
Transmission and Distributions	26,448,973	43,536,055	34,158,895	28,596,533	23,503,906	28,420,176
Services and Meters	5,977,508	5,812,986	8,096,307	13,235,615	11,678,595	16,750,695
Hydrant Division	128,697	3,489	314,729	697,442	417,833	508,762
Commercial	6,112,874	7,046,284	7,632,044	6,129,979	7,572,727	6,919,951
Operations and Maintenance	30,371,887	33,709,777	45,426,798	0	0	0
Central City Staff Services	7,994,520	5,664,954	6,225,681	0	0	0
Administrative and General	17,621,924	20,172,634	15,351,608	29,475,444	36,021,547	24,996,371
Nonrecurring Capital Asset Adjustments	28,283,497	0	0	0	0	18,735,709
Net OPEB Obligation	0	0	0	0	0	17,248,909
Other Items	0	0	0	14,638,350	15,124,239	0
Depreciation	67,504,841	71,084,673	81,660,122	71,995,060	81,602,960	83,031,094
Total Operating Expenses	237,158,237	236,828,606	239,593,086	233,513,827	261,807,648	265,347,771
Operating Income	55,824,983	37,266,857	45,877,340	82,488,374	74,322,297	90,179,990
Investment Earnings (Losses)	29,312,849	13,749,381	(23,979,799)	14,479,871	(72,582,266)	(6,941,979)
Loss on Disposal of Capital Assets	0	0	0	0	0	0
Interest Expense, Net of Capitalized Interest	(123,619,840)	(112,905,999)	(107,044,663)	(111,666,753)	(108,750,464)	(127,866,520)
Amortization of Bond Issuance Costs	0	0	0	0	(7,059,640)	(8,533,883)
Miscellaneous Revenue (Expense)	1,679,909	(7,920,379)	664,100	1,588,987	453,615	6,404,158
Total Other Income (Expenses)	(92,627,082)	(107,076,997)	(130,360,362)	(95,597,895)	(187,938,755)	(136,938,224)
Decrease in Net Assets before Capital Contributions, Transfers, and Special Items	(36,802,099)	(69,810,140)	(84,483,022)	(13,109,521)	(113,616,458)	(46,758,234)
Capital Contributions	605,746	340,076	111,777	211,745	20,500	165,403
Transfers In	9,575,331	0	0	0	0	0
Transfers Out	0	0	0	0	0	0
Special Items	0	0	0	0	0	0
Capital Contributions, Transfers In, Transfers Out, and Special Items	10,181,077	340,076	111,777	211,745	20,500	165,403
Increase (Decrease) in Net Assets	(26,621,022)	(69,470,064)	(84,371,245)	(12,897,776)	(113,595,958)	(46,592,831)
Net Assets, Beginning	400,952,650	374,331,628	304,861,564	136,375,840	123,478,064	9,882,106
Adjustments to Net Assets	0	0	(84,114,479)	0	0	0
Net Assets, Beginning (Adjusted)	400,952,650	374,331,628	220,747,085	136,375,840	123,478,064	9,882,106
Increase (Decrease) in Net Assets	(26,621,022)	(69,470,064)	(84,371,245)	(12,897,776)	(113,595,958)	(46,592,831)
<b>Net Assets, Ending</b>	<b>\$ 374,331,628</b>	<b>\$ 304,861,564</b>	<b>\$ 136,375,840</b>	<b>\$ 123,478,064</b>	<b>\$ 9,882,106</b>	<b>\$ (36,710,725)</b>

Source: FY 2013 information obtained from preliminary financial statements; FY 2008 - 2012 obtained from audited financial statements.

**City of Detroit**  
**Detroit Water and Sewer Department**  
**Sewage Disposal Fund**  
**Historical Sewage Fund Income Statement**

	For the Fiscal Year Ended					
	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012	6/30/2013
General Customers	\$ 135,966,630	\$ 162,813,091	\$ 167,986,001	\$ 188,929,588	\$ 186,551,894	\$ 193,098,413
Suburban Customers	201,722,312	219,638,029	187,874,924	213,888,870	242,759,761	238,301,009
City Departments	3,441,917	642,654	532,109	567,670	617,325	635,188
Sewage Surcharge	1,435,519	2,957,031	3,730,043	3,424,043	2,601,809	5,204,732
Miscellaneous	4,342,453	4,075,593	5,414,313	3,908,904	5,124,102	3,623,918
Total Revenues	346,908,831	390,126,398	365,537,390	410,719,075	437,654,891	440,863,260
Sewage Treatment Plant	131,877,214	129,314,215	141,078,880	149,268,127	144,270,145	128,418,729
Interceptors and Regulators	3,419,697	6,363,301	2,175,886	9,867,867	14,030,425	8,456,026
Sewer Pumping Stations	3,220,434	7,362,432	2,684,307	13,671,159	8,458,261	8,444,193
Sewer Maintenance and Engineering	13,027,555	19,710,820	20,009,122	8,585,844	4,581,284	0
Meters	0	0	0	0	0	142,199
Industrial Waste Control	0	0	0	0	0	4,145,645
Sewer	0	0	0	0	0	8,201,988
Combined Sewage Overflow Control Basins	489,622	569,971	714,292	4,608,783	5,042,764	5,319,475
Commercial	7,610,884	8,107,329	6,655,589	9,290,038	5,970,441	6,519,748
Operations and Maintenance	16,152,236	16,626,233	13,624,330	9,517,917	5,240,561	0
Central Services and General Fund Reimbursements	5,688,320	7,778,365	4,046,518	0	0	0
Administrative and General	32,943,836	24,906,841	19,465,067	26,001,008	29,429,706	35,065,939
Other Items	0	0	0	16,439,026	15,332,241	50,579,250
Depreciation	94,145,601	96,509,481	97,713,277	150,660,578	115,604,049	121,464,302
Total Operating Expenses	308,575,399	317,248,988	308,167,268	397,910,347	347,959,877	376,757,496
Operating Income	38,333,432	72,877,410	57,370,122	12,808,728	89,695,014	64,105,764
Investment Earnings (Losses)	27,634,679	11,501,806	(23,300,503)	(1,168,864)	(64,450,366)	(7,939,285)
Loss on Disposal of Capital Assets	0	0	0	(91,476,801)	0	(2,752)
Interest Expense, Net of Capitalized Interest	(120,537,137)	(133,029,160)	(118,561,130)	(119,734,891)	(108,153,176)	(142,081,167)
Amortization of Bond Issuance Costs	0	0	0	0	(8,796,332)	(14,978,455)
Miscellaneous Revenue	1,548,292	9,331,912	124,285	2,209,701	1,846,318	861,759
Total Other Income (Expenses)	(91,354,166)	(112,195,442)	(141,737,348)	(210,170,855)	(179,553,556)	(164,139,900)
Decrease in Net Assets before Capital Contributions, Transfers, and Special Items	(53,020,734)	(39,318,032)	(84,367,226)	(197,362,127)	(89,858,542)	(100,034,136)
Capital Contributions	0	2,322,233	6,610,573	5,523,194	0	0
Transfers In	1,511,419	0	0	0	0	0
Transfers Out	(8,063,912)	0	0	0	0	0
Special Items	(141,962,894)	(36,900,173)	0	0	0	0
Capital Contributions, Transfers In, Transfers Out, and Special Items	(148,515,387)	(34,577,940)	6,610,573	5,523,194	0	0
Increase (Decrease) in Net Assets	(201,536,121)	(73,895,972)	(77,756,653)	(191,838,933)	(89,858,542)	(100,034,136)
Net Assets, Beginning	877,308,457	675,772,336	601,876,364	439,161,426	247,322,493	157,463,951
Adjustments to Net Assets	0	0	(84,958,285)	0	0	0
Increase (Decrease) in Net Assets	(201,536,121)	(73,895,972)	(77,756,653)	(191,838,933)	(89,858,542)	(100,034,136)
<b>Net Assets, Ending</b>	<b>\$ 675,772,336</b>	<b>\$ 601,876,364</b>	<b>\$ 439,161,426</b>	<b>\$ 247,322,493</b>	<b>\$ 157,463,951</b>	<b>\$ 57,429,815</b>

Source: FY 2013 information obtained from preliminary financial statements; FY 2008 - 2012 obtained from audited financial statements.

**City of Detroit**  
**Detroit Water and Sewer Department**  
**Water Fund**  
**Historical Water Fund Balance Sheet**

	As of:					
	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012	6/30/2013
Cash and Cash Equivalents	\$ 48,660,120	\$ 80,194	\$ 11,585,084	\$ 7,357,748	\$ 17,969,040	\$ 21,321,725
Investments	49,496,338	44,013,126	21,192,353	84,018,134	0	55,599,174
Billed Accounts Receivable	62,904,132	70,619,839	61,573,023	72,914,205	85,327,741	76,807,485
Unbilled Accounts Receivable	23,088,374	24,551,149	26,702,430	30,350,253	37,465,551	31,426,122
Other Accounts Receivable	1,740,581	0	2,284,629	3,757,139	4,410,841	2,827,025
Less: Allowance for Doubtful Accounts	(35,952,199)	(41,327,531)	(25,061,864)	(25,387,639)	(28,259,741)	(27,158,423)
Total Accounts Receivable, Net	51,780,888	53,843,457	65,498,218	81,633,958	98,944,392	83,902,209
Due from Other Funds	21,334,188	67,887,115	118,670,060	66,690,098	41,459,509	48,334,968
Due from Fiduciary Funds	0	0	0	0	0	1,680,314
Inventories	7,350,654	5,554,349	7,251,842	5,939,985	5,660,326	6,261,724
Prepaid Expenses	1,498,226	1,211,910	1,273,189	1,510,001	4,497,545	3,819,179
Restricted Cash and Cash Equivalents	23,731,177	27,303,429	5,554,329	8,870,389	40,565,853	0
Restricted Investments	106,114,606	84,743,357	106,879,144	134,715,746	139,056,728	0
Restricted Other Accounts Receivable	0	0	339,247	0	0	0
Restricted Due from Other Funds	13,824,852	6,610,671	9,393,793	4,045,774	0	0
Total Current Assets	323,791,049	291,247,608	347,637,259	394,781,833	348,153,393	220,919,293
Restricted Cash and Cash Equivalents	11,884,886	15,461,872	14,192,858	3,810,114	2,179,760	24,045,179
Restricted Investments	435,763,345	338,514,873	221,486,588	45,032,315	195,711,983	281,068,512
Other Receivables						5,121,918
Net Pension Asset	77,642,310	81,680,247	85,525,858	88,474,553	90,677,096	101,134,107
Deferred Charges	0	42,545,292	40,268,106	37,990,918	38,321,804	36,280,286
Fair Value of Derivatives	0	0	26,984,477	27,693,455	0	0
Bond and Pension Obligation Certificate Issuance Costs	45,222,267	0	0	0	0	0
Total Non-Current Assets	570,512,808	478,202,284	388,457,887	203,001,355	326,890,643	447,650,002
Net Capital Assets	2,045,920,357	2,131,725,774	2,164,861,726	2,172,321,545	2,157,804,200	2,083,632,381
Deferred Outflows of Resources	0	0	4,500,379	1,927,019	14,179,042	0
<b>Total Assets</b>	<b>\$ 2,940,224,214</b>	<b>\$ 2,901,175,666</b>	<b>\$ 2,905,457,251</b>	<b>\$ 2,772,031,752</b>	<b>\$ 2,847,027,278</b>	<b>\$ 2,752,201,676</b>
Current Liabilities						
Accounts and Contracts Payable	\$ 36,663,387	\$ 32,601,306	\$ 33,222,785	\$ 28,951,855	\$ 36,736,029	\$ 23,947,477
Accrued Salaries and Wages	3,114,934	2,418,786	2,519,342	922,524	1,096,137	969,965
Due to Other Funds	15,392,726	58,809,093	115,215,099	36,204,233	14,972,320	8,272,748
Due to Fiduciary Funds	1,788,861	3,226,516	5,056,959	8,549,055	10,952,567	0
Accrued Interest Payable	49,689,756	57,500,394	58,466,586	57,839,797	66,907,594	66,454,704
Other Accrued Liabilities	5,226,448	5,612,337	12,532,988	18,295,619	10,092,925	13,592,704
Revenue Bonds and State Revolving Loans Payable, Net	32,890,000	35,170,000	36,760,000	45,090,000	33,195,000	41,380,000
Pension Obligation Certificates of Participation	0	257,831	593,104	913,613	1,250,905	2,855,885
Capital Leases Payable within One Year	863,422	894,020	663,649	30,534	0	0
Accrued Compensated Absences	7,288,290	7,091,446	7,078,769	6,427,622	6,806,399	9,340,642
Accrued Workers' Compensation	2,056,000	2,087,000	2,011,000	1,868,000	1,489,000	1,435,000
Claims and Judgements	528,700	6,000	80,000	3,531,000	68,000	17,236
Pollution Remediation Obligations	0	20,992	0	0	0	0
Total Current Liabilities	155,502,524	205,695,721	274,200,281	208,623,852	183,566,876	168,266,361
Long-Term Liabilities						
Revenue Bonds and State Revolving Loans Payable, Net	2,295,236,022	2,263,338,649	2,153,379,619	2,114,741,662	2,485,717,942	2,447,241,502
Pension Obligation Certificates of Participation Payable, Net	81,333,125	81,072,429	80,477,124	79,560,644	78,306,872	76,699,025
Capital Leases Payable	1,503,991	657,430	22,423	0	0	0
Net OPEB Obligation	7,614,170	16,611,769	27,944,436	40,578,926	53,303,165	70,552,075
Accrued Compensated Absences	8,620,754	11,919,904	4,059,727	4,453,598	2,614,912	1,282,223
Accrued Workers' Compensation	9,072,000	8,608,000	8,942,000	8,469,000	8,850,000	8,155,000
Claims and Judgements	7,010,000	8,410,200	4,469,000	243,000	218,500	226,750
Pollution Remediation Obligations	0	0	80,000	0	0	0
Derivative Instruments - Swap Liability	0	0	215,506,801	191,883,006	24,566,905	16,489,465
Total Long-Term Liabilities	2,410,390,062	2,390,618,381	2,494,881,130	2,439,929,836	2,653,578,296	2,620,646,040
<b>Total Liabilities</b>	<b>2,565,892,586</b>	<b>2,596,314,102</b>	<b>2,769,081,411</b>	<b>2,648,553,688</b>	<b>2,837,145,172</b>	<b>2,788,912,401</b>
Invested in Capital Assets, Net of Debt Related	131,959,821	98,352,666	131,394,921	62,141,704	235,302,277	(22,450,280)
Restricted for Capital Acquisitions	57,338,174	87,293,229	25,818,115	22,648,822	0	0
Restricted for Debt Service	66,934,304	78,420,017	97,828,028	101,862,800	203,831,414	142,557,878
Unrestricted	118,099,329	40,795,652	(118,665,224)	(63,175,262)	(429,251,585)	(156,818,323)
<b>Total Net Assets</b>	<b>\$ 374,331,628</b>	<b>\$ 304,861,564</b>	<b>\$ 136,375,840</b>	<b>\$ 123,478,064</b>	<b>\$ 9,882,106</b>	<b>\$ (36,710,725)</b>

**Footnotes:**

Reporting classification of current liabilities differs from audited financial statements for comparison

Source: FY 2013 information obtained from preliminary financial statements; FY 2008 - 2012 obtained from audited financial statements.

**City of Detroit  
Detroit Water and Sewer Department  
Sewage Disposal Fund  
Historical Sewage Fund Balance Sheet**

	As of:					
	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012	6/30/2013
Cash and Cash Equivalents	\$ 42,472,216	\$ 6,913,527	\$ 4,088,652	\$ 5,292,173	\$ 25,643,695	\$ 11,071,610
Investments	29,222,612	36,722,118	32,055,864	125,640,610	0	0
Billed Accounts Receivable	129,857,010	130,776,339	111,384,353	123,620,671	131,636,100	126,545,085
Unbilled Accounts Receivable	46,995,974	55,982,465	54,205,923	63,807,974	55,915,921	67,490,396
Grants Receivable	0	0	1,083,458	0	0	0
Other Accounts Receivable	2,271,581	168,267	10,850,578	25,485,867	25,910,127	10,800,510
Less: Allowance for Doubtful Accounts	(90,605,647)	(81,078,369)	(54,927,143)	(57,467,793)	(70,130,129)	(68,548,573)
Total Accounts Receivable, Net	88,518,918	105,848,702	122,597,169	155,446,719	143,332,019	136,287,418
Due from Other Funds	20,030,027	67,772,718	102,440,110	30,251,006	14,898,805	14,751,256
Due from Fiduciary Funds	0	0	0	0	0	1,409,855
Inventories	7,972,508	7,823,491	6,561,739	6,977,146	8,884,679	9,762,803
Prepaid Expenses	1,870,227	1,851,410	3,538,840	3,441,704	1,819,151	853,192
Restricted Cash and Cash Equivalents	19,993,654	35,118,436	8,136,025	3,015,785	215,249,247	0
Restricted Investments	71,438,000	109,529,976	125,839,450	143,315,183	146,371,609	0
Restricted Due from Other Funds	13,500,000	2,537,711	12,105,832	12,570,717	10,640,798	0
Total Current Assets	295,018,162	374,118,089	417,363,681	485,951,043	566,840,003	174,136,134
Restricted Cash and Cash Equivalents	0	5,491,507	6,334,576	2,556,843	0	100,037,594
Restricted Investments	475,640,082	290,953,454	210,268,220	84,171,807	129,227,781	355,482,764
Other Receivables	0	0	0	0	0	3,750,000
Net Pension Asset	84,465,857	87,286,336	88,455,199	86,874,832	86,245,896	91,319,602
Deferred Charges	0	47,480,761	44,772,379	42,063,997	45,428,167	43,193,749
Fair Value of Derivatives	0	0	14,947,297	14,408,688	0	0
Bond and Pension Obligation Certificate Issuance Costs	50,203,227	0	0	0	0	0
Total Non-Current Assets	610,309,166	431,212,058	364,777,671	230,076,167	260,901,844	593,783,709
Net Capital Assets	3,022,810,992	3,094,661,240	3,130,366,599	2,929,134,451	2,923,013,636	2,861,256,656
Deferred Outflows of Resources	0	0	73,286,652	63,548,517	15,979,577	0
<b>Total Assets</b>	<b>\$ 3,928,138,320</b>	<b>\$ 3,899,991,387</b>	<b>\$ 3,985,794,603</b>	<b>\$ 3,708,710,178</b>	<b>\$ 3,766,735,060</b>	<b>\$ 3,629,176,499</b>
Current Liabilities						
Accounts and Contracts Payable	\$ 36,518,723	\$ 33,436,847	\$ 29,902,794	\$ 49,085,299	\$ 53,141,033	\$ 50,488,376
Accrued Salaries and Wages	1,494,149	1,579,810	1,608,515	519,646	705,067	602,720
Due to Other Funds	22,823,654	72,444,082	131,927,362	70,900,052	40,083,914	52,036,220
Due to Fiduciary Funds	7,150,822	16,970,730	1,772,294	8,603,294	6,989,284	0
Accrued Interest Payable	48,788,672	52,830,943	62,455,024	61,396,780	54,945,024	70,858,984
Revenue Bonds and State Revolving Loans Payable, Net	58,645,000	60,630,000	70,345,000	72,944,000	76,575,000	78,385,000
Pension Obligation Certificates of Participation Payable	0	290,746	672,089	1,035,281	1,417,492	3,236,213
Other Accrued Liabilities	7,051,673	9,316,193	16,208,631	16,667,493	17,811,488	23,327,269
Capital Leases Payable within One Year	863,422	894,020	663,649	30,534	0	0
Accrued Compensated Absences	4,590,574	4,577,518	4,293,031	4,120,387	3,830,144	717,569
Accrued Workers' Compensation	797,000	784,000	741,000	667,000	565,000	551,000
Claims and Judgements	80,000	625,500	865,074	0	19,500	0
Pollution Remediation Obligations	0	890,000	956,878	973,113	340,613	0
Total Current Liabilities	188,803,689	255,270,389	322,411,341	286,942,879	256,423,559	280,203,351
Long-Term Liabilities						
Revenue Bonds and State Revolving Loans Payable, Net	2,948,130,743	2,920,111,415	2,870,184,745	2,821,254,302	3,173,429,787	3,112,192,669
Pension Obligation Certificates of Participation Payable, Net	92,165,806	91,871,829	91,195,843	90,157,332	88,736,610	86,914,659
Capital Leases Payable	1,503,991	657,430	22,423	0	0	0
Net OPEB Obligation	8,868,194	17,924,439	30,452,039	43,203,839	56,836,081	70,445,095
Accrued Compensated Absences	6,301,561	8,277,527	3,266,334	3,803,238	1,672,337	477,410
Accrued Workers' Compensation	3,185,000	2,883,000	2,969,000	2,875,000	2,989,000	2,742,000
Claims and Judgements	3,407,000	261,494	43,392	1,500,000	1,500,000	190,000
Pollution Remediation Obligations	0	857,500	151,157	0	0	0
Derivative Instruments - Swap Liability	0	0	225,936,903	211,651,095	27,683,735	18,581,500
Total Long-Term Liabilities	3,063,562,295	3,042,844,634	3,224,221,836	3,174,444,806	3,352,847,550	3,291,543,333
<b>Total Liabilities</b>	<b>3,252,365,984</b>	<b>3,298,115,023</b>	<b>3,546,633,177</b>	<b>3,461,387,685</b>	<b>3,609,271,109</b>	<b>3,571,746,684</b>
Invested in Capital Assets, Net of Debt Related	427,406,590	397,705,998	423,561,717	122,747,952	553,873,948	216,368,007
Restricted for Capital Acquisitions	60,588,611	36,232,528	30,070,066	31,318,712	0	0
Restricted for Debt Service	112,949,550	142,214,512	127,990,977	145,174,047	255,972,332	227,211,405
Unrestricted	74,827,585	25,723,326	(142,461,334)	(51,918,218)	(652,382,329)	(386,149,597)
<b>Total Net Assets</b>	<b>\$ 675,772,336</b>	<b>\$ 601,876,364</b>	<b>\$ 439,161,426</b>	<b>\$ 247,322,493</b>	<b>\$ 157,463,951</b>	<b>\$ 57,429,815</b>

**Footnotes:**

Reporting classification of current liabilities differs from audited financial statements for comparison

Source: FY 2013 information obtained from preliminary financial statements; FY 2008 - 2012 obtained from audited financial statements.

**EXHIBIT M**

**DWSD FINANCIAL PROJECTIONS**

**City of Detroit**  
**Water and Sewage Disposal Fund**  
*10-Year Projections*

**City of Detroit**  
**Water and Sewage Disposal Fund**  
Assumptions

Assumptions	Description
<b>Revenue:</b>	
Volumes	
Detroit Retail - Water/Sewer	FY 2014 and FY 2015 based on DWSD budget estimates. Approximately 6.3% in total volume decline from FYs' 2015 - 2023 based upon SEMCOG population decline.
Wholesale - Sewer	FY 2014 and FY 2015 based on DWSD budget estimates by customer. FYs' 2016 - 2023 reflect no growth from FY 2015 estimates.
Wholesale - Water	FY 2014 based on DWSD budget estimate by customer less 2.0%. FY 2015 based on DWSD budget estimate by customer. FY's 2015 - 2023 reflect total volume decline of approximately 2.0%.
Flint - Water	Assumed to exit the Water System in FY 2017.
Bad debt	
Detroit Retail - Sewer	15.0% of retail revenues in FY 2014 improving to 11.0% by FY 2018 and staying constant at 11.0% of retail revenues through the forecast period.
Wholesale - Sewer	2.0% of suburban revenues throughout the forecast period.
Wholesale - Water	n/a
Detroit Retail - Water	14.0% of retail revenues in FY 2014 improving to 10.0% by FY 2018 and staying constant at 10.0% of retail revenues through the forecast period.
Miscellaneous operating	
IWC Charges	FY 2014 represents DWSD budget estimates and increases 4.0% annually thereafter.
Industrial Surcharges	FY 2014 and FY 2015 represent DWSD budget estimates. FYs' 2016 - 2023 reflect no growth from FY 2015 budget estimates.
Other	Base amount represents normalized historical average, assumed to increase annually by inflation growth rate.
Nonoperating	Base amount represents normalized historical average, assumed to increase annually by inflation growth rate.
Earnings on investment	1.5% of adjusted annual fund balances. Return based on adjusted average return in prior three years.



**City of Detroit**  
**Water and Sewage Disposal Fund**  
Assumptions (cont'd)

Assumptions	Description
<b>Operating &amp; maintenance expenditures:</b>	
Salaries & wages	
Headcount	Beginning FTE of 1,706 based on 6/30/13 level. Optimization of labor to 1,000 FTE by FY 2020 through natural attrition assumed to be 10.0% in FY 2014 and 5.0% in FYs' 2015 - 2018. FYs' 2019 and 2020 reflect attrition required to reach FTE goal of 1,000. Total headcount allocation assumed to be 63.0% Water and 37.0% Sewer per management estimates. Employees whose services are shared between Water and Sewer Systems are budgeted in the Water System. Shared labor costs are transferred from the Water System to the Sewer System.
Average wages	FY 2014 average wage rate of \$43,600 based on current DWSD budget analysis. Assumed 10.0% increase in FY 2015 related to job classification and management input on related compensation changes due to optimization. FYs' 2016 - 2023 reflect FY 2015 base amount with annual inflationary increases.
Overtime	FYs' 2014 - 2020 base amount represents historical average dollar amount with slow decline; FYs' 2021 - 2023 based upon historical average percentage of salaries and wages.
Pension	FY 2014 pension contributions are equal to amounts contributed by the Water and Sewer Systems in FY 2013. FYs' 2015 - 2023 represent required reimbursements to general fund per Plan of Adjustment ("POA") forecast; additional amounts for defined contribution plan of 5.75% of salaries and wages.
Other fringes	OPEB - Represents required reimbursements to general fund per POA forecast, additional 2.0% of salaries and wages for future retiree healthcare; Active employee healthcare - assumed to be \$8,250 per FTE in FY 2014 (active employee healthcare growth rates: FY 2015 7.5%; FY 2016 7.0%; FY 2017 6.5%; FY 2018 6.0%; FY 2019 5.5%; FYs' 2020 - 2023 5.0%); Other fringe benefits - includes fixed and variable expenses, variable portion based upon historical average of salaries and wages, fixed portion assumed to be inflationary.
Purchased services	Base amount represents FY 2014 DWSD budgeted amount reduced for various City of Detroit shared costs in FY 2015 and FY 2016; inflationary growth thereafter.
Telecommunications	Base amount represents FY 2014 budgeted amount; inflationary growth thereafter.
Contractual services	Based on normalized amounts with additional outsourcing costs; inflationary growth thereafter.
Repairs & maintenance	FY 2014 represents adjusted budgeted amount; inflationary growth thereafter.
Utilities	Based upon forecasted volumes with 80.0% variable and 20.0% fixed, cost per mcf increase of 3.2% annually.
Chemicals	Based upon forecasted volumes with 80.0% variable and 20.0% fixed, cost per mcf increase inflationary.
Other	Base amount represents normalized historical average; inflationary growth thereafter.

**City of Detroit**  
**Water and Sewage Disposal Fund**  
Assumptions (cont'd)

Assumptions	Description
<b>Financing:</b>	
Debt	
Existing debt	Represents existing debt amortization on currently outstanding DWSD debt.
New money bonds	Issuance amounts necessary to fund CIP requirements; interest rate - 4.63% based upon Miller Buckfire analysis.
Issuance costs	Cost of issuance - 1.5% of the size of issuance.
Debt service reserve	Reserve funding - 6.5% of the size of issuance.
<b>Reserve funding:</b>	
O&M fund	Operating reserve fund increase from 45 days to 90 days of O&M expenses by FY 2023.
ER&R fund	Maintained at bond ordinance requirements.
<b>Other:</b>	
Transfer account	Represents transfer of expenses between Water and Sewer Systems. Based upon management allocation.
Biosolids savings	Projected operating expense savings related to biosolids program assumed to begin in FY 2017. Source: PMA Consultants
<b>Capital Improvement Program:</b>	
Annual estimates	Based upon 10-year study completed by OHM Advisors. Additional CIP added (unidentified capital projects) in FYs' 2020 - 2023. FY 2014 and FY 2015 reflect CIP amounts per DWSD's budget.

**City of Detroit**  
**Consolidated Systems**  
**Proforma Income Statement Projections**  
*(in millions of dollars)*

	For the Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Operating revenues	\$ 894.4	\$ 909.2	\$ 953.0	\$ 968.1	\$ 995.8	\$ 1,032.2	\$ 1,070.1	\$ 1,111.3	\$ 1,154.2	\$ 1,198.8
Expenses:										
Operating & maintenance	389.3	430.1	414.8	417.0	423.2	427.4	427.1	431.1	441.5	452.2
Depreciation	201.8	207.4	213.1	218.8	223.4	228.0	233.4	239.5	246.7	254.7
Total operating expenses	591.1	637.5	627.9	635.8	646.6	655.3	660.5	670.6	688.2	706.9
Operating income	303.3	271.6	325.1	332.3	349.2	376.8	409.6	440.7	466.0	491.9
Nonoperating revenues (expenses):										
Interest expense	(278.0)	(279.5)	(281.4)	(284.5)	(284.7)	(283.7)	(283.3)	(282.4)	(282.4)	(282.5)
Amortization of bond issuance costs	(23.3)	(23.4)	(23.5)	(23.4)	(23.5)	(23.5)	(23.6)	(23.7)	(23.8)	(22.8)
Earnings on investments	10.6	10.4	9.5	10.5	10.8	11.2	11.8	12.6	13.2	13.9
Nonoperating revenue	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7
Total nonoperating income (expenses)	(290.1)	(291.8)	(294.8)	(296.7)	(296.7)	(295.4)	(294.4)	(292.9)	(292.2)	(290.6)
Increase (decrease) in net assets	13.2	(20.2)	30.3	35.6	52.5	81.5	115.2	147.9	173.8	201.4
Fund net assets - beginning <sup>1</sup>	20.7	33.9	13.8	44.0	79.7	132.2	213.6	328.8	476.7	650.5
Fund net assets - ending	\$ 33.9	\$ 13.8	\$ 44.0	\$ 79.7	\$ 132.2	\$ 213.6	\$ 328.8	\$ 476.7	\$ 650.5	\$ 851.9

**Footnotes:**

<sup>1</sup> FY 2014 beginning fund net assets obtained from preliminary draft audited financial statements subject to audit opinion issuance.

**City of Detroit**  
**Consolidated Systems**  
Revenue Requirement Projections  
*(in millions of dollars)*

	For the Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenue available:										
Operating revenue	\$ 832.2	\$ 817.6	\$ 851.2	\$ 869.8	\$ 917.1	\$ 950.9	\$ 986.1	\$1,024.4	\$1,064.3	\$1,105.8
Rate increases	-	32.7	41.9	46.5	36.7	38.0	39.4	41.0	42.6	44.2
Other revenue	73.4	69.9	70.1	63.0	53.4	55.1	57.1	59.2	61.3	63.5
Total revenue available	905.6	920.2	963.1	979.3	1,007.2	1,044.1	1,082.6	1,124.6	1,168.2	1,213.5
Revenue requirements:										
Operating & maintenance	389.3	430.1	414.8	417.0	423.2	427.4	427.1	431.1	441.5	452.2
Net revenue	516.3	490.1	548.3	562.3	584.0	616.7	655.5	693.5	726.7	761.3
Debt service:										
New issuances	0.1	7.9	23.7	36.7	46.0	54.6	64.4	74.3	86.0	99.0
Senior lien	251.3	258.6	258.9	267.0	266.8	266.2	256.6	254.9	245.9	258.1
Second lien	95.1	103.1	105.1	96.3	96.3	96.9	105.2	106.9	117.5	109.1
Junior lien	48.3	48.1	48.3	48.2	48.2	47.9	47.6	46.3	41.9	41.2
Total debt service	394.7	417.7	436.1	448.2	457.4	465.6	473.8	482.4	491.2	507.5
Pension obligation certificates	3.0	4.5	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Renewals & replacements	15.0	15.0	15.3	15.6	15.9	16.0	16.0	16.0	16.0	16.0
Fund deposits	18.4	17.2	3.6	6.1	6.9	7.2	6.0	7.3	9.4	10.0
Revenue financed capital	85.2	35.7	92.5	91.6	103.1	127.2	158.9	187.0	209.3	227.1
Total revenue requirements	\$ 905.6	\$ 920.2	\$ 963.1	\$ 979.3	\$1,007.2	\$1,044.1	\$1,082.6	\$1,124.6	\$1,168.2	\$1,213.5
Debt service coverage <sup>1</sup> :										
Senior lien	205%	184%	194%	185%	187%	192%	204%	211%	219%	213%
Second lien	149%	133%	141%	141%	143%	148%	154%	159%	162%	163%
Junior lien	131%	117%	126%	125%	128%	132%	138%	144%	148%	150%

**Footnotes:**

<sup>1</sup> New debt issuances treated as senior lien in coverage calculations.

**City of Detroit**  
**Consolidated Systems**  
**Capital Improvement Program Financing**  
*(in millions of dollars)*

	For the Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Capital spending:										
OHM Advisors CIP Estimates <sup>1</sup>	\$ 229.0	\$ 281.2	\$ 284.4	\$ 284.4	\$ 229.4	\$ 229.4	\$ 229.2	\$ 229.2	\$ 136.7	\$ 136.7
Unidentified capital projects	-	-	-	-	-	-	42.6	75.9	222.4	265.2
Total capital spending	229.0	281.2	284.4	284.4	229.4	229.4	271.8	305.1	359.1	401.9
<hr/>										
Sources & Uses:										
<u>Improvement &amp; Extension Fund <sup>2</sup>:</u>										
Beginning balance	6.3	85.2	35.7	92.5	91.6	103.1	127.2	158.9	187.0	209.3
Plus: Revenue deposits	85.2	35.7	92.5	91.6	103.1	127.2	158.9	187.0	209.3	227.1
Less: Use of funds	(6.3)	(85.2)	(35.7)	(92.5)	(91.6)	(103.1)	(127.2)	(158.9)	(187.0)	(209.3)
Ending balance	85.2	35.7	92.5	91.6	103.1	127.2	158.9	187.0	209.3	227.1
<u>Construction Bond Fund <sup>2</sup>:</u>										
Beginning balance	312.7	93.0	13.9	-	-	-	-	-	-	-
Plus: Bond issuance	-	123.8	253.6	208.5	149.7	137.3	157.1	158.9	187.0	209.3
Plus: SRF funds	3.0	3.0	1.5	-	-	-	-	-	-	-
Less: Fees and reserve deposits	-	(9.9)	(20.3)	(16.7)	(12.0)	(11.0)	(12.6)	(12.7)	(15.0)	(16.7)
Less: Use of funds	(222.7)	(196.0)	(248.7)	(191.8)	(137.7)	(126.3)	(144.5)	(146.2)	(172.1)	(192.6)
Ending balance	93.0	13.9	-	-	-	-	-	-	-	-
Total use of funds	\$ (229.0)	\$ (281.2)	\$ (284.4)	\$ (284.4)	\$ (229.4)	\$ (229.4)	\$ (271.8)	\$ (305.1)	\$ (359.1)	\$ (401.9)

**Footnotes:**

<sup>1</sup> FY 2014 and FY 2015 reflect CIP amounts per DWSD's budget.

<sup>2</sup> FY 2014 beginning reserve balances obtained from DWSD management.

**City of Detroit**  
**Consolidated Systems**  
**Reserve Balance Projections<sup>1</sup>**  
*(in millions of dollars)*

	As of Fiscal Year End									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Operating &amp; maintenance:</u>										
Beginning balance	\$ 31.7	\$ 48.7	\$ 59.7	\$ 63.4	\$ 69.5	\$ 76.4	\$ 83.1	\$ 89.0	\$ 95.8	\$ 104.2
Plus: Deposits	17.0	11.1	3.6	6.1	6.9	6.7	5.9	6.8	8.4	8.8
Less: Use of funds	-	-	-	-	-	-	-	-	-	-
Ending balance	48.7	59.7	63.4	69.5	76.4	83.1	89.0	95.8	104.2	113.0
<i>Days of operating reserve</i>	45	50	55	60	65	70	75	80	85	90
<u>Extraordinary repair &amp; replacement:</u>										
Beginning balance	57.0	58.4	64.5	64.5	64.5	64.5	65.0	65.1	65.6	66.6
Plus: Deposits	1.4	6.1	-	-	-	0.5	0.1	0.5	1.0	1.2
Less: Use of funds	-	-	-	-	-	-	-	-	-	-
Ending balance	58.4	64.5	64.5	64.5	64.5	65.0	65.1	65.6	66.6	67.8
<u>Improvement &amp; extension:</u>										
Beginning balance	6.3	85.2	35.7	92.5	91.6	103.1	127.2	158.9	187.0	209.3
Plus: Deposits	85.2	35.7	92.5	91.6	103.1	127.2	158.9	187.0	209.3	227.1
Less: Use of funds	(6.3)	(85.2)	(35.7)	(92.5)	(91.6)	(103.1)	(127.2)	(158.9)	(187.0)	(209.3)
Ending balance	85.2	35.7	92.5	91.6	103.1	127.2	158.9	187.0	209.3	227.1
<u>Total revenue generated funds:</u>										
Beginning balance	94.9	192.2	160.0	220.4	225.7	244.0	275.3	313.0	348.5	380.2
Plus (less): Net deposits (uses)	97.3	(32.3)	60.5	5.2	18.4	31.3	37.7	35.4	31.7	27.8
Ending balance	192.2	160.0	220.4	225.7	244.0	275.3	313.0	348.5	380.2	408.0
<u>Construction bond fund:</u>										
Beginning balance	312.7	93.0	13.9	-	-	-	-	-	-	-
Plus: Bond issuance	-	123.8	253.6	208.5	149.7	137.3	157.1	158.9	187.0	209.3
Plus: SRF funds	3.0	3.0	1.5	-	-	-	-	-	-	-
Less: Fees and reserve deposits	-	(9.9)	(20.3)	(16.7)	(12.0)	(11.0)	(12.6)	(12.7)	(15.0)	(16.7)
Less: Use of funds	(222.7)	(196.0)	(248.7)	(191.8)	(137.7)	(126.3)	(144.5)	(146.2)	(172.1)	(192.6)
Ending balance	\$ 93.0	\$ 13.9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Footnotes:

<sup>1</sup> FY 2014 beginning reserve balances obtained from DWSD management.

**City of Detroit**  
**Consolidated Systems**  
**Debt Balances**  
*(in millions of dollars)*

	As of Fiscal Year End									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>New issues <sup>1</sup>:</u>										
Beginning balance	\$ -	\$ 3.0	\$ 127.8	\$ 376.8	\$ 575.5	\$ 712.6	\$ 834.5	\$ 972.9	\$1,109.8	\$1,270.7
New issues	3.0	126.8	255.1	208.5	149.7	137.3	157.1	158.9	187.0	209.3
Principal amortization	-	(2.0)	(6.1)	(9.8)	(12.6)	(15.4)	(18.6)	(22.1)	(26.1)	(30.6)
Ending balance	3.0	127.8	376.8	575.5	712.6	834.5	972.9	1,109.8	1,270.7	1,449.4
<u>Senior lien bonds:</u>										
Beginning balance	3,745.1	3,677.7	3,599.1	3,515.9	3,419.9	3,319.0	3,213.4	3,112.1	3,007.2	2,905.8
Principal amortization	(70.9)	(81.7)	(86.0)	(98.4)	(102.9)	(107.1)	(102.4)	(105.5)	(101.3)	(119.0)
Accrued PIK interest	3.4	3.1	2.8	2.4	2.0	1.6	1.1	0.6	-	-
Ending balance	3,677.7	3,599.1	3,515.9	3,419.9	3,319.0	3,213.4	3,112.1	3,007.2	2,905.8	2,786.9
<u>Second lien bonds:</u>										
Beginning balance	1,606.0	1,594.6	1,574.4	1,551.1	1,535.6	1,519.3	1,501.6	1,474.4	1,443.9	1,400.9
Principal amortization	(11.5)	(20.2)	(23.3)	(15.5)	(16.3)	(17.7)	(27.2)	(30.4)	(43.0)	(36.8)
Ending balance	1,594.6	1,574.4	1,551.1	1,535.6	1,519.3	1,501.6	1,474.4	1,443.9	1,400.9	1,364.1
<u>Junior lien bonds:</u>										
Beginning balance	504.3	466.9	428.7	389.5	349.5	308.6	267.0	224.8	182.8	144.4
Principal amortization	(37.5)	(38.2)	(39.2)	(40.0)	(40.9)	(41.6)	(42.2)	(41.9)	(38.4)	(38.7)
Ending balance	466.9	428.7	389.5	349.5	308.6	267.0	224.8	182.8	144.4	105.8
 Total debt	<u>\$5,742.1</u>	<u>\$5,730.1</u>	<u>\$5,833.3</u>	<u>\$5,880.5</u>	<u>\$5,859.5</u>	<u>\$5,816.5</u>	<u>\$5,784.2</u>	<u>\$5,743.7</u>	<u>\$5,722.0</u>	<u>\$5,706.2</u>

Footnotes:

<sup>1</sup> Assumed senior lien.

**City of Detroit**  
**Consolidated Systems**  
**Operating & Maintenance Expense Projections**  
*(in millions of dollars)*

	<b>Actual</b>	<b>For the Fiscal Year Ended</b>									
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Personnel expenses:											
Salaries & wages	\$ 70.3	\$ 70.7	\$ 71.9	\$ 70.0	\$ 68.1	\$ 66.3	\$ 62.9	\$ 57.7	\$ 55.7	\$ 57.1	\$ 58.5
Overtime	14.1	14.5	14.8	14.8	14.5	13.9	13.2	12.1	10.6	10.9	11.1
Subtotal	84.4	85.1	86.7	84.8	82.6	80.3	76.2	69.8	66.3	67.9	69.6
Pension & fringes <sup>1</sup>	60.5	72.3	100.1	78.6	78.4	78.2	77.2	75.4	74.8	75.8	76.8
Total personnel expenses	144.9	157.4	186.8	163.4	161.0	158.5	153.4	145.2	141.1	143.7	146.5
Non-personnel expenses:											
Purchased services	10.3	14.2	9.4	8.1	8.3	8.5	8.7	9.0	9.2	9.4	9.6
Telecommunications	7.6	6.8	6.9	7.1	7.3	7.5	7.7	7.9	8.0	8.2	8.5
Contractual services	122.7	85.9	99.2	104.7	109.8	114.2	118.8	121.7	124.8	127.9	131.1
Repairs & maintenance	15.6	16.2	16.6	17.0	17.5	17.9	18.4	18.8	19.3	19.8	20.3
Utilities	76.5	77.8	78.9	81.2	81.5	83.9	86.4	88.9	91.6	94.5	97.4
Chemicals	21.4	23.8	23.9	24.4	24.5	25.1	25.7	26.2	26.9	27.5	28.2
Other	15.8	12.5	13.6	14.0	14.3	14.7	15.0	15.4	15.8	16.2	16.6
Clearing account	(8.2)	(5.2)	(5.2)	(5.0)	(4.8)	(4.4)	(3.9)	(3.3)	(2.8)	(2.8)	(2.9)
Biosolids savings	-	-	-	-	(2.5)	(2.5)	(2.6)	(2.7)	(2.8)	(2.8)	(2.9)
Total non-labor expenses	261.7	231.9	243.4	251.5	256.0	264.8	274.0	281.9	290.0	297.8	305.7
Total operating & maintenance expense	<u>\$ 406.6</u>	<u>\$ 389.3</u>	<u>\$ 430.1</u>	<u>\$ 414.8</u>	<u>\$ 417.0</u>	<u>\$ 423.2</u>	<u>\$ 427.4</u>	<u>\$ 427.1</u>	<u>\$ 431.1</u>	<u>\$ 441.5</u>	<u>\$ 452.2</u>

**Footnotes:**

<sup>1</sup> FY 2013 actual reduced by net OPEB obligation to allow for comparison.



**City of Detroit**  
**Consolidated Systems**  
Pension & Fringes Projection Detail  
*(in millions of dollars)*

	For the Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Pension &amp; fringes:</u>										
GF pension reimbursements <sup>1</sup>	\$ 24.3	\$ 65.4	\$ 45.4	\$ 45.4	\$ 45.4	\$ 45.4	\$ 45.4	\$ 45.4	\$ 45.4	\$ 45.4
GF OPEB reimbursements <sup>1</sup>	14.7	3.6	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
New defined contribution plan <sup>2</sup>	4.1	4.1	4.0	3.9	3.8	3.6	3.3	3.2	3.3	3.4
New retiree healthcare <sup>3</sup>	-	1.4	1.4	1.4	1.3	1.3	1.2	1.1	1.1	1.2
Active employee healthcare <sup>4</sup>	13.4	13.3	13.5	13.7	13.7	13.4	12.6	12.5	13.1	13.7
Social security <sup>5</sup>	6.5	6.6	6.5	6.3	6.1	5.8	5.3	5.1	5.2	5.3
Other fringes <sup>6</sup>	9.4	5.6	5.6	5.6	5.6	5.5	5.4	5.4	5.5	5.7
Total pension & fringes	\$ 72.3	\$ 100.1	\$ 78.6	\$ 78.4	\$ 78.2	\$ 77.2	\$ 75.4	\$ 74.8	\$ 75.8	\$ 76.8

	As of Fiscal Year End									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>FTE Schedule:</u>										
FTE count - beginning	1,706	1,535	1,459	1,386	1,316	1,251	1,125	1,000	1,000	1,000
Less: Attrition	(171)	(77)	(73)	(69)	(66)	-	-	-	-	-
Less: Layoffs	-	-	-	-	-	(125)	(125)	-	-	-
Ending FTE count	1,535	1,459	1,386	1,316	1,251	1,125	1,000	1,000	1,000	1,000

Assumptions:

<sup>1</sup> Based upon amounts included in Plan of Adjustment (Disclosure Statement - Exhibit 3b of EY 40-year projections). FY 2014 pension contributions are equal to FY 2013 pension contributions.

<sup>2</sup> 5.75% of salaries and wages.

<sup>3</sup> 2.0% of salaries and wages.

<sup>4</sup> \$8,250 per FTE in FY 2014 (active employee healthcare growth rates: FY 2015 7.5%; FY 2016 7.0%; FY 2017 6.5%; FY 2018 6.0%; FY 2019 5.5%; FYs' 2020 - 2023 5.0%).

<sup>5</sup> 7.65% of salaries, wages, and overtime.

<sup>6</sup> Includes fixed and variable expenses, variable portion based upon historical average of salaries and wages, fixed portion assumed to be inflationary.

**City of Detroit**  
**Water Fund**  
**Proforma Income Statement Projections**  
*(in millions of dollars)*

	For the Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Water Sales	\$ 379.2	\$ 391.2	\$ 414.5	\$ 417.6	\$ 434.1	\$ 450.0	\$ 466.6	\$ 484.5	\$ 503.2	\$ 522.5
Miscellaneous	4.1	4.2	4.3	4.4	4.5	4.6	4.8	4.9	5.0	5.1
Total operating revenues	383.3	395.4	418.8	422.0	438.6	454.7	471.4	489.4	508.2	527.6
Expenses:										
Operating & maintenance	154.7	173.4	164.5	164.9	166.6	167.3	166.2	166.9	170.7	174.7
Depreciation	82.9	85.4	88.3	91.2	93.8	96.5	99.4	102.9	106.9	111.1
Total operating expenses	237.5	258.7	252.8	256.0	260.4	263.8	265.6	269.7	277.6	285.8
Operating income	145.8	136.7	166.0	166.0	178.2	190.9	205.8	219.7	230.6	241.8
Nonoperating revenues (expenses):										
Interest expense	(131.7)	(129.7)	(130.1)	(131.3)	(131.9)	(131.9)	(131.6)	(131.8)	(132.3)	(132.8)
Amortization of bond issuance costs	(8.2)	(8.2)	(8.3)	(8.1)	(8.1)	(8.1)	(8.2)	(8.2)	(8.3)	(7.9)
Earnings on investments	4.4	4.7	4.0	4.5	4.5	4.8	5.1	5.4	5.7	6.0
Nonoperating revenue	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6
Total nonoperating income (expenses)	(135.0)	(132.8)	(133.9)	(134.3)	(135.0)	(134.7)	(134.2)	(134.1)	(134.3)	(134.1)
Increase (decrease) in net assets	10.8	3.9	32.1	31.6	43.3	56.2	71.7	85.6	96.3	107.7
Fund net assets - beginning <sup>1</sup>	(36.7)	(25.9)	(22.0)	10.1	41.7	85.0	141.2	212.9	298.5	394.8
Fund net assets - ending	<u>\$ (25.9)</u>	<u>\$ (22.0)</u>	<u>\$ 10.1</u>	<u>\$ 41.7</u>	<u>\$ 85.0</u>	<u>\$ 141.2</u>	<u>\$ 212.9</u>	<u>\$ 298.5</u>	<u>\$ 394.8</u>	<u>\$ 502.5</u>

**Footnotes:**

<sup>1</sup> FY 2014 beginning fund net assets obtained from preliminary draft audited financial statements subject to audit opinion issuance.

**City of Detroit**  
**Water Fund**  
**Revenue Requirement Projections**  
*(in millions of dollars)*

	For the Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenue available:										
Water sales	\$ 379.2	\$ 376.2	\$ 391.0	\$ 390.3	\$ 417.4	\$ 432.7	\$ 448.7	\$ 465.9	\$ 483.8	\$ 502.4
Rate increases	-	15.0	23.5	27.3	16.7	17.3	17.9	18.6	19.4	20.1
Miscellaneous operating	4.1	4.2	4.3	4.4	4.5	4.6	4.8	4.9	5.0	5.1
Nonoperating	4.9	5.2	4.5	5.0	5.1	5.3	5.6	6.0	6.3	6.6
Total revenue available	388.3	400.6	423.3	427.0	443.7	460.0	477.0	495.4	514.5	534.2
Revenue requirements:										
Operating & maintenance	154.7	173.4	164.5	164.9	166.6	167.3	166.2	166.9	170.7	174.7
Net revenue	233.6	227.3	258.8	262.1	277.1	292.7	310.9	328.6	343.7	359.5
Debt service:										
New issuances	-	-	6.9	12.7	17.9	22.5	27.3	33.0	39.4	46.3
Senior lien	129.4	139.0	138.9	139.0	138.9	138.2	128.9	128.8	129.1	129.2
Second lien	40.3	40.3	42.8	42.7	42.7	43.2	51.4	51.3	51.3	51.3
Junior lien	2.0	2.0	2.0	2.0	2.0	1.7	1.6	1.6	1.6	1.6
Total debt service	171.7	181.3	190.5	196.3	201.5	205.7	209.2	214.7	221.5	228.4
Pension obligation certificates	1.4	2.1	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Renewals & replacements	7.5	7.5	7.7	7.8	7.9	8.0	8.0	8.0	8.0	8.0
Fund deposits	6.8	7.5	1.1	2.3	2.6	2.5	2.1	2.5	3.2	3.6
Revenue financed capital	46.2	28.8	59.2	55.3	64.8	76.2	91.2	103.0	110.7	119.2
Total revenue requirements	\$ 388.3	\$ 400.6	\$ 423.3	\$ 427.0	\$ 443.7	\$ 460.0	\$ 477.0	\$ 495.4	\$ 514.5	\$ 534.2
<u>Debt service coverage <sup>1</sup>:</u>										
Senior lien	181%	163%	178%	173%	177%	182%	199%	203%	204%	205%
Second lien	138%	127%	137%	135%	139%	143%	150%	154%	156%	159%
Junior lien	136%	125%	136%	134%	138%	142%	149%	153%	155%	157%
% Rate increase <sup>2</sup>	n/a	4%	6%	7%	4%	4%	4%	4%	4%	4%

**Footnotes:**

<sup>1</sup> New debt issuances treated as senior lien in coverage calculations.

<sup>2</sup> Represents an average customer rate increase, not specific to any customer or customer class.

**City of Detroit**  
**Water Fund**  
**Capital Improvement Program Financing**  
*(in millions of dollars)*

	For the Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Capital spending:										
OHM Advisors CIP Estimates <sup>1</sup>	\$ 63.4	\$ 125.2	\$ 144.4	\$ 144.4	\$ 132.9	\$ 132.9	\$ 103.7	\$ 103.7	\$ 64.5	\$ 64.5
Unidentified capital projects	-	-	-	-	-	-	42.6	71.4	133.4	148.0
Total capital spending	63.4	125.2	144.4	144.4	132.9	132.9	146.3	175.1	197.8	212.5
<hr/>										
Sources & Uses:										
<u>Improvement &amp; Extension Fund <sup>2</sup>:</u>										
Beginning balance	6.3	46.2	28.8	59.2	55.3	64.8	76.2	91.2	103.0	110.7
Plus: Revenue deposits	46.2	28.8	59.2	55.3	64.8	76.2	91.2	103.0	110.7	119.2
Less: Use of funds	(6.3)	(46.2)	(28.8)	(59.2)	(55.3)	(64.8)	(76.2)	(91.2)	(103.0)	(110.7)
Ending balance	46.2	28.8	59.2	55.3	64.8	76.2	91.2	103.0	110.7	119.2
<u>Construction Bond Fund <sup>2</sup>:</u>										
Beginning balance	150.1	92.9	13.9	-	-	-	-	-	-	-
Plus: Bond issuance	-	-	110.6	92.6	84.3	74.0	76.2	91.2	103.0	110.7
Less: Fees and reserve deposits	-	-	(8.8)	(7.4)	(6.7)	(5.9)	(6.1)	(7.3)	(8.2)	(8.9)
Less: Use of funds	(57.1)	(79.1)	(115.6)	(85.2)	(77.6)	(68.1)	(70.1)	(83.9)	(94.8)	(101.8)
Ending balance	92.9	13.9	-	-	-	-	-	-	-	-
Total use of funds	\$ (63.4)	\$ (125.2)	\$ (144.4)	\$ (144.4)	\$ (132.9)	\$ (132.9)	\$ (146.3)	\$ (175.1)	\$ (197.8)	\$ (212.5)

Footnotes:

<sup>1</sup> FY 2014 and FY 2015 reflect CIP amounts per DWSD's budget.

<sup>2</sup> FY 2014 beginning reserve balances obtained from DWSD management.

**City of Detroit**  
**Water Fund**  
**Reserve Balance Projections<sup>1</sup>**  
*(in millions of dollars)*

	As of Fiscal Year End									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Operating &amp; maintenance:</u>										
Beginning balance	\$ 12.7	\$ 19.3	\$ 24.1	\$ 25.1	\$ 27.5	\$ 30.1	\$ 32.5	\$ 34.6	\$ 37.1	\$ 40.3
Plus: Deposits	6.6	4.7	1.1	2.3	2.6	2.5	2.1	2.5	3.2	3.4
Less: Use of funds	-	-	-	-	-	-	-	-	-	-
Ending balance	19.3	24.1	25.1	27.5	30.1	32.5	34.6	37.1	40.3	43.7
<i>Days of operating reserve</i>	45	50	55	60	65	70	75	80	85	90
<u>Extraordinary repair &amp; replacement:</u>										
Beginning balance	22.9	23.2	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0
Plus: Deposits	0.3	2.8	-	-	-	-	-	-	-	0.2
Less: Use of funds	-	-	-	-	-	-	-	-	-	-
Ending balance	23.2	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.0	26.2
<u>Improvement &amp; extension:</u>										
Beginning balance	6.3	46.2	28.8	59.2	55.3	64.8	76.2	91.2	103.0	110.7
Plus: Deposits	46.2	28.8	59.2	55.3	64.8	76.2	91.2	103.0	110.7	119.2
Less: Use of funds	(6.3)	(46.2)	(28.8)	(59.2)	(55.3)	(64.8)	(76.2)	(91.2)	(103.0)	(110.7)
Ending balance	46.2	28.8	59.2	55.3	64.8	76.2	91.2	103.0	110.7	119.2
<u>Total revenue generated funds:</u>										
Beginning balance	42.0	88.7	78.9	110.3	108.8	120.9	134.7	151.8	166.1	177.0
Plus (less): Net deposits (uses)	46.7	(9.8)	31.4	(1.5)	12.1	13.8	17.1	14.3	10.8	12.1
Ending balance	88.7	78.9	110.3	108.8	120.9	134.7	151.8	166.1	177.0	189.1
<u>Construction bond fund:</u>										
Beginning balance	150.1	92.9	13.9	-	-	-	-	-	-	-
Plus: Bond issuance	-	-	110.6	92.6	84.3	74.0	76.2	91.2	103.0	110.7
Less: Fees and reserve deposits	-	-	(8.8)	(7.4)	(6.7)	(5.9)	(6.1)	(7.3)	(8.2)	(8.9)
Less: Use of funds	(57.1)	(79.1)	(115.6)	(85.2)	(77.6)	(68.1)	(70.1)	(83.9)	(94.8)	(101.8)
Ending balance	\$ 92.9	\$ 13.9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Footnotes:

<sup>1</sup> FY 2014 beginning reserve balances obtained from DWSD management.

**City of Detroit**  
**Water Fund**  
**Debt Balances**  
*(in millions of dollars)*

	As of Fiscal Year End									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>New issues <sup>1</sup>:</u>										
Beginning balance	\$ -	\$ -	\$ -	\$ 108.8	\$ 198.1	\$ 277.6	\$ 345.3	\$ 413.7	\$ 495.3	\$ 586.7
New issues	-	-	110.6	92.6	84.3	74.0	76.2	91.2	103.0	110.7
Principal amortization	-	-	(1.8)	(3.3)	(4.8)	(6.3)	(7.8)	(9.6)	(11.7)	(14.0)
Ending balance	-	-	108.8	198.1	277.6	345.3	413.7	495.3	586.7	683.3
<u>Senior lien bonds:</u>										
Beginning balance	1,884.2	1,849.9	1,803.9	1,755.5	1,704.4	1,650.9	1,595.2	1,546.3	1,495.0	1,440.6
Principal amortization	(34.3)	(46.0)	(48.4)	(51.1)	(53.6)	(55.6)	(49.0)	(51.3)	(54.4)	(57.2)
Ending balance	1,849.9	1,803.9	1,755.5	1,704.4	1,650.9	1,595.2	1,546.3	1,495.0	1,440.6	1,383.4
<u>Second lien bonds:</u>										
Beginning balance	640.6	635.0	629.2	620.5	611.6	602.1	591.6	572.1	551.6	529.9
Principal amortization	(5.6)	(5.8)	(8.7)	(9.0)	(9.5)	(10.5)	(19.5)	(20.5)	(21.7)	(22.9)
Ending balance	635.0	629.2	620.5	611.6	602.1	591.6	572.1	551.6	529.9	507.0
<u>Junior lien bonds:</u>										
Beginning balance	21.5	19.9	18.4	16.8	15.2	13.5	12.1	10.7	9.2	7.8
Principal amortization	(1.5)	(1.6)	(1.6)	(1.6)	(1.7)	(1.4)	(1.4)	(1.4)	(1.5)	(1.5)
Ending balance	19.9	18.4	16.8	15.2	13.5	12.1	10.7	9.2	7.8	6.3
 Total debt	<u>\$2,504.8</u>	<u>\$2,451.5</u>	<u>\$2,501.7</u>	<u>\$2,529.2</u>	<u>\$2,544.0</u>	<u>\$2,544.2</u>	<u>\$2,542.8</u>	<u>\$2,551.1</u>	<u>\$2,564.9</u>	<u>\$2,580.0</u>

Footnotes:

<sup>1</sup> Assumed senior lien.

**City of Detroit**  
**Water Fund**  
**Operating & Maintenance Expense Projections**  
*(in millions of dollars)*

	<b>Actual</b>	<b>For the Fiscal Year Ended</b>									
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Personnel expenses:											
Salaries & wages	\$ 47.1	\$ 44.5	\$ 45.3	\$ 44.1	\$ 42.9	\$ 41.8	\$ 39.7	\$ 36.4	\$ 35.1	\$ 35.9	\$ 36.8
Overtime	6.9	7.1	7.3	7.3	7.1	6.7	6.4	5.8	4.7	4.8	4.9
Subtotal	54.0	51.6	52.5	51.4	50.0	48.5	46.1	42.1	39.8	40.8	41.8
Pension & fringes <sup>1</sup>	31.2	40.9	55.4	44.4	44.3	44.1	43.5	42.2	41.8	42.4	43.1
Total personnel expenses	85.3	92.5	107.9	95.8	94.3	92.7	89.5	84.3	81.6	83.2	84.9
Non-personnel expenses:											
Purchased services	4.4	6.5	4.1	3.5	3.6	3.7	3.8	3.8	3.9	4.0	4.1
Telecommunications	7.2	6.3	6.5	6.6	6.8	6.9	7.1	7.3	7.5	7.7	7.9
Contractual services	36.5	44.8	46.3	48.9	51.4	53.4	55.5	56.9	58.3	59.8	61.3
Repairs & maintenance	7.0	7.7	7.9	8.1	8.3	8.5	8.7	8.9	9.1	9.4	9.6
Utilities	40.5	40.1	41.0	42.2	41.3	42.4	43.6	44.9	46.2	47.6	49.1
Chemicals	8.6	8.8	8.9	9.1	8.8	9.0	9.2	9.4	9.6	9.8	10.1
Other	10.2	5.2	7.9	8.1	8.3	8.5	8.7	8.9	9.2	9.4	9.6
Clearing account	(34.5)	(57.1)	(57.1)	(57.7)	(57.8)	(58.5)	(58.8)	(58.4)	(58.6)	(60.2)	(61.8)
Total non-labor expenses	79.8	62.2	65.5	68.8	70.6	73.9	77.8	81.8	85.3	87.5	89.8
Total operating & maintenance expense	<u>\$ 165.0</u>	<u>\$ 154.7</u>	<u>\$ 173.4</u>	<u>\$ 164.5</u>	<u>\$ 164.9</u>	<u>\$ 166.6</u>	<u>\$ 167.3</u>	<u>\$ 166.2</u>	<u>\$ 166.9</u>	<u>\$ 170.7</u>	<u>\$ 174.7</u>

*Footnotes:*

<sup>1</sup> FY 2013 actual reduced by net OPEB obligation to allow for comparison.

**City of Detroit**  
**Water Fund**  
**Pension & Fringes Projection Detail**  
*(in millions of dollars)*

	For the Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Pension &amp; fringes:</u>										
GF pension reimbursements <sup>1</sup>	\$ 14.8	\$ 33.5	\$ 23.3	\$ 23.3	\$ 23.3	\$ 23.3	\$ 23.3	\$ 23.3	\$ 23.3	\$ 23.3
GF OPEB reimbursements <sup>1</sup>	6.3	1.5	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
New defined contribution plan <sup>2</sup>	2.6	2.6	2.5	2.5	2.4	2.3	2.1	2.0	2.1	2.1
New retiree healthcare <sup>3</sup>	-	0.9	0.9	0.9	0.8	0.8	0.7	0.7	0.7	0.7
Active employee healthcare <sup>4</sup>	8.4	8.4	8.5	8.6	8.7	8.5	7.9	7.9	8.2	8.7
Social security <sup>5</sup>	3.9	4.0	3.9	3.8	3.7	3.5	3.2	3.0	3.1	3.2
Other fringes <sup>6</sup>	4.9	4.4	4.4	4.3	4.3	4.2	4.0	4.0	4.1	4.2
Total pension & fringes	\$ 40.9	\$ 55.4	\$ 44.4	\$ 44.3	\$ 44.1	\$ 43.5	\$ 42.2	\$ 41.8	\$ 42.4	\$ 43.1

	As of Fiscal Year End									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>FTE Schedule <sup>7</sup>:</u>										
FTE count - beginning	1,075	967	919	873	829	788	709	630	630	630
Less: Attrition	(107)	(48)	(46)	(44)	(41)	-	-	-	-	-
Less: Layoffs	-	-	-	-	-	(79)	(79)	-	-	-
Ending FTE count	967	919	873	829	788	709	630	630	630	630

Assumptions:

<sup>1</sup> Based upon amounts included in Plan of Adjustment (Disclosure Statement - Exhibit 3b of EY 40-year projections). FY 2014 pension contributions are equal to FY 2013 pension contributions.

<sup>2</sup> 5.75% of salaries and wages.

<sup>3</sup> 2.0% of salaries and wages.

<sup>4</sup> \$8,250 per FTE in FY 2014 (active employee healthcare growth rates: FY 2015 7.5%; FY 2016 7.0%; FY 2017 6.5%; FY 2018 6.0%; FY 2019 5.5%; FYs' 2020 - 2023 5.0%).

<sup>5</sup> 7.65% of salaries, wages, and overtime.

<sup>6</sup> Includes fixed and variable expenses, variable portion based upon historical average of salaries and wages, fixed portion assumed to be inflationary.

Footnotes:

<sup>7</sup> Employees whose services are shared between Water and Sewer Systems are budgeted in the Water System. Shared labor costs are transferred from the Water System to the Sewer System.



**City of Detroit**  
**Sewage Disposal Fund**  
**Proforma Income Statement Projections**  
*(in millions of dollars)*

	For the Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Sewer sales	\$ 485.3	\$ 493.3	\$ 513.8	\$ 535.0	\$ 557.1	\$ 577.5	\$ 598.7	\$ 621.9	\$ 646.1	\$ 671.2
Look-back revenues	25.7	20.5	20.5	11.1	-	-	-	-	-	-
Total operating revenues	511.0	513.8	534.2	546.2	557.1	577.5	598.7	621.9	646.1	671.2
Expenses:										
Operating & maintenance	234.6	256.8	250.3	252.2	256.7	260.0	261.0	264.3	270.8	277.5
Depreciation	118.9	122.0	124.8	127.6	129.6	131.5	134.0	136.6	139.8	143.6
Total operating expenses	353.5	378.8	375.1	379.8	386.2	391.5	395.0	400.9	410.6	421.1
Operating income	157.5	135.0	159.1	166.4	170.9	186.0	203.7	221.0	235.4	250.1
Nonoperating revenues (expenses):										
Interest expense	(146.2)	(149.7)	(151.3)	(153.3)	(152.7)	(151.9)	(151.7)	(150.6)	(150.1)	(149.7)
Amortization of bond issuance costs	(15.1)	(15.2)	(15.2)	(15.3)	(15.4)	(15.4)	(15.4)	(15.5)	(15.5)	(14.8)
Earnings on investments	6.2	5.7	5.5	6.1	6.3	6.5	6.8	7.2	7.5	7.9
Nonoperating revenue	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total nonoperating income (expenses)	(155.0)	(159.1)	(160.9)	(162.4)	(161.7)	(160.7)	(160.2)	(158.8)	(158.0)	(156.4)
Increase (decrease) in net assets	2.4	(24.1)	(1.8)	4.0	9.2	25.3	43.5	62.3	77.5	93.7
Fund net assets - beginning <sup>1</sup>	57.4	59.9	35.8	33.9	37.9	47.1	72.4	115.9	178.2	255.7
Fund net assets - ending	\$ 59.9	\$ 35.8	\$ 33.9	\$ 37.9	\$ 47.1	\$ 72.4	\$ 115.9	\$ 178.2	\$ 255.7	\$ 349.3

**Footnotes:**

<sup>1</sup> FY 2014 beginning fund net assets obtained from preliminary draft audited financial statements subject to audit opinion issuance.

**City of Detroit**  
**Sewage Disposal Fund**  
Revenue Requirement Projections  
*(in millions of dollars)*

	For the Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenue available:										
Sewer sales	\$ 452.9	\$ 441.5	\$ 460.1	\$ 479.5	\$ 499.7	\$ 518.2	\$ 537.4	\$ 558.5	\$ 580.5	\$ 603.4
Rate increases	-	17.7	18.4	19.2	20.0	20.7	21.5	22.3	23.2	24.1
Look-back revenues	25.7	20.5	20.5	11.1	-	-	-	-	-	-
Miscellaneous operating	32.4	34.2	35.2	36.3	37.4	38.6	39.8	41.1	42.4	43.7
Nonoperating	6.3	5.8	5.6	6.2	6.4	6.6	6.9	7.3	7.7	8.1
Total revenue available	517.3	519.6	539.8	552.3	563.5	584.1	605.6	629.2	653.7	679.3
Revenue requirements:										
Operating & maintenance	234.6	256.8	250.3	252.2	256.7	260.0	261.0	264.3	270.8	277.5
Net revenue	282.7	262.8	289.5	300.2	306.9	324.0	344.6	364.9	382.9	401.8
Debt service:										
New issuances	0.1	7.9	16.8	24.0	28.1	32.1	37.1	41.3	46.6	52.7
Senior lien	121.8	119.6	120.0	127.9	127.9	128.0	127.7	126.1	116.7	128.9
Second lien	54.8	62.8	62.3	53.7	53.7	53.6	53.9	55.6	66.2	57.8
Junior lien	46.3	46.2	46.3	46.2	46.2	46.2	46.0	44.7	40.2	39.6
Total debt service	223.0	236.4	245.5	251.9	255.9	259.9	264.6	267.7	269.7	279.0
Pension obligation certificates	1.6	2.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Renewals & replacements	7.5	7.5	7.7	7.8	8.0	8.0	8.0	8.0	8.0	8.0
Fund deposits	11.5	9.7	2.6	3.8	4.3	4.7	3.9	4.9	6.2	6.4
Revenue financed capital	39.0	6.9	33.4	36.3	38.3	51.0	67.7	84.0	98.6	107.9
Total revenue requirements	\$ 517.3	\$ 519.6	\$ 539.8	\$ 552.3	\$ 563.5	\$ 584.1	\$ 605.6	\$ 629.2	\$ 653.7	\$ 679.3
Debt service coverage <sup>1</sup> :										
Senior lien	232%	206%	212%	198%	197%	203%	209%	218%	235%	221%
Second lien	160%	138%	145%	146%	146%	152%	158%	164%	167%	168%
Junior lien	127%	111%	118%	119%	120%	125%	130%	136%	142%	144%
% Rate increase <sup>2</sup>	n/a	4%	4%	4%	4%	4%	4%	4%	4%	4%

**Footnotes:**

<sup>1</sup> New debt issuances treated as senior lien in coverage calculations.

<sup>2</sup> Represents an average customer rate increase, not specific to any customer or customer class.

**City of Detroit**  
**Sewage Disposal Fund**  
**Capital Improvement Program Financing**  
*(in millions of dollars)*

	For the Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Capital spending:										
OHM Advisors CIP Estimates <sup>1</sup>	\$ 165.6	\$ 156.0	\$ 140.0	\$ 140.0	\$ 96.5	\$ 96.5	\$ 125.5	\$ 125.5	\$ 72.2	\$ 72.2
Unidentified capital projects	-	-	-	-	-	-	-	4.5	89.1	117.2
Total capital spending	165.6	156.0	140.0	140.0	96.5	96.5	125.5	130.0	161.3	189.4
<hr/>										
Sources & Uses:										
<u>Improvement &amp; Extension Fund <sup>2</sup>:</u>										
Beginning balance	-	39.0	6.9	33.4	36.3	38.3	51.0	67.7	84.0	98.6
Plus: Revenue deposits	39.0	6.9	33.4	36.3	38.3	51.0	67.7	84.0	98.6	107.9
Less: Use of funds	-	(39.0)	(6.9)	(33.4)	(36.3)	(38.3)	(51.0)	(67.7)	(84.0)	(98.6)
Ending balance	39.0	6.9	33.4	36.3	38.3	51.0	67.7	84.0	98.6	107.9
<u>Construction Bond Fund <sup>2</sup>:</u>										
Beginning balance	162.6	0.1	-	-	-	-	-	-	-	-
Plus: Bond issuance	-	123.8	143.0	115.9	65.4	63.3	80.9	67.7	84.0	98.6
Plus: SRF funds	3.0	3.0	1.5	-	-	-	-	-	-	-
Less: Fees and reserve deposits	-	(9.9)	(11.4)	(9.3)	(5.2)	(5.1)	(6.5)	(5.4)	(6.7)	(7.9)
Less: Use of funds	(165.6)	(117.0)	(133.1)	(106.6)	(60.2)	(58.2)	(74.5)	(62.3)	(77.3)	(90.7)
Ending balance	0.1	-	-	-	-	-	-	-	-	-
Total use of funds	\$(165.6)	\$(156.0)	\$(140.0)	\$(140.0)	\$ (96.5)	\$ (96.5)	\$(125.5)	\$(130.0)	\$(161.3)	\$(189.4)

Footnotes:

<sup>1</sup> FY 2014 and FY 2015 reflect CIP amounts per DWSD's budget.

<sup>2</sup> FY 2014 beginning reserve balances obtained from DWSD management.

**City of Detroit**  
**Sewage Disposal Fund**  
Reserve Balance Projections<sup>1</sup>  
*(in millions of dollars)*

	As of Fiscal Year End									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Operating &amp; maintenance:</u>										
Beginning balance	18.9	29.3	35.7	38.2	42.0	46.3	50.6	54.4	58.7	63.9
Plus: Deposits	10.4	6.3	2.6	3.8	4.3	4.2	3.8	4.4	5.2	5.4
Less: Use of funds	-	-	-	-	-	-	-	-	-	-
Ending balance	29.3	35.7	38.2	42.0	46.3	50.6	54.4	58.7	63.9	69.4
<i>Days of operating reserve</i>	45	50	55	60	65	70	75	80	85	90
<u>Extraordinary repair &amp; replacement:</u>										
Beginning balance	34.1	35.2	38.5	38.5	38.5	38.5	39.0	39.1	39.6	40.6
Plus: Deposits	1.1	3.3	-	-	-	0.5	0.1	0.5	1.0	1.0
Less: Use of funds	-	-	-	-	-	-	-	-	-	-
Ending balance	35.2	38.5	38.5	38.5	38.5	39.0	39.1	39.6	40.6	41.6
<u>Improvement &amp; extension:</u>										
Beginning balance	-	39.0	6.9	33.4	36.3	38.3	51.0	67.7	84.0	98.6
Plus: Deposits	39.0	6.9	33.4	36.3	38.3	51.0	67.7	84.0	98.6	107.9
Less: Use of funds	-	(39.0)	(6.9)	(33.4)	(36.3)	(38.3)	(51.0)	(67.7)	(84.0)	(98.6)
Ending balance	39.0	6.9	33.4	36.3	38.3	51.0	67.7	84.0	98.6	107.9
<u>Total revenue generated funds:</u>										
Beginning balance	53.0	103.5	81.1	110.1	116.9	123.1	140.6	161.2	182.4	203.2
Plus (less): Net deposits (uses)	50.6	(22.5)	29.0	6.7	6.3	17.5	20.6	21.2	20.8	15.7
Ending balance	103.5	81.1	110.1	116.9	123.1	140.6	161.2	182.4	203.2	218.9
<u>Construction bond fund:</u>										
Beginning balance	162.6	0.1	-	-	-	-	-	-	-	-
Plus: Bond issuance	-	123.8	143.0	115.9	65.4	63.3	80.9	67.7	84.0	98.6
Plus: SRF funds	3.0	3.0	1.5	-	-	-	-	-	-	-
Less: Fees and reserve deposits	-	(9.9)	(11.4)	(9.3)	(5.2)	(5.1)	(6.5)	(5.4)	(6.7)	(7.9)
Less: Use of funds	(165.6)	(117.0)	(133.1)	(106.6)	(60.2)	(58.2)	(74.5)	(62.3)	(77.3)	(90.7)
Ending balance	0.1	-	-	-	-	-	-	-	-	-

Footnotes:

<sup>1</sup> FY 2014 beginning reserve balances obtained from DWSD management.

**City of Detroit**  
**Sewage Disposal Fund**  
**Debt Balances**  
*(in millions of dollars)*

	As of Fiscal Year End									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>New issues <sup>1</sup>:</u>										
Beginning balance	\$ -	\$ 3.0	\$ 127.8	\$ 268.0	\$ 377.4	\$ 435.0	\$ 489.2	\$ 559.2	\$ 614.5	\$ 684.1
New issues	3.0	126.8	144.5	115.9	65.4	63.3	80.9	67.7	84.0	98.6
Principal amortization	-	(2.0)	(4.4)	(6.4)	(7.8)	(9.2)	(10.9)	(12.5)	(14.4)	(16.6)
Ending balance	3.0	127.8	268.0	377.4	435.0	489.2	559.2	614.5	684.1	766.1
<u>Senior lien bonds:</u>										
Beginning balance	1,860.9	1,827.7	1,795.2	1,760.4	1,715.5	1,668.2	1,618.2	1,565.8	1,512.2	1,465.2
Principal amortization	(36.6)	(35.7)	(37.6)	(47.3)	(49.4)	(51.5)	(53.4)	(54.2)	(47.0)	(61.8)
Accrued PIK interest	3.4	3.1	2.8	2.4	2.0	1.6	1.1	0.6	-	-
Ending balance	1,827.7	1,795.2	1,760.4	1,715.5	1,668.2	1,618.2	1,565.8	1,512.2	1,465.2	1,403.5
<u>Second lien bonds:</u>										
Beginning balance	965.5	959.6	945.2	930.5	924.0	917.2	910.0	902.2	892.3	871.0
Principal amortization	(5.9)	(14.4)	(14.7)	(6.5)	(6.8)	(7.2)	(7.8)	(9.9)	(21.3)	(13.8)
Ending balance	959.6	945.2	930.5	924.0	917.2	910.0	902.2	892.3	871.0	857.2
<u>Junior lien bonds:</u>										
Beginning balance	482.9	446.9	410.3	372.8	334.4	295.1	255.0	214.1	173.6	136.7
Principal amortization	(35.9)	(36.6)	(37.6)	(38.4)	(39.2)	(40.2)	(40.8)	(40.5)	(36.9)	(37.2)
Ending balance	446.9	410.3	372.8	334.4	295.1	255.0	214.1	173.6	136.7	99.5
 Total debt	<u>\$3,237.3</u>	<u>\$3,278.6</u>	<u>\$3,331.6</u>	<u>\$3,351.3</u>	<u>\$3,315.5</u>	<u>\$3,272.3</u>	<u>\$3,241.4</u>	<u>\$3,192.6</u>	<u>\$3,157.0</u>	<u>\$3,126.3</u>

Footnotes:

<sup>1</sup> Assumed senior lien.

**City of Detroit**  
**Sewage Disposal Fund**  
**Operating & Maintenance Expense Projections**  
*(in millions of dollars)*

	<b>Actual</b>	<b>For the Fiscal Year Ended</b>									
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Personnel expenses:											
Salaries & wages	\$ 23.2	\$ 26.1	\$ 26.6	\$ 25.9	\$ 25.2	\$ 24.5	\$ 23.3	\$ 21.4	\$ 20.6	\$ 21.1	\$ 21.6
Overtime	7.2	7.4	7.5	7.5	7.4	7.2	6.8	6.3	5.9	6.1	6.2
Subtotal	30.4	33.5	34.1	33.4	32.6	31.7	30.1	27.7	26.5	27.2	27.8
Pension & fringes <sup>1</sup>	29.3	31.4	44.7	34.2	34.1	34.1	33.8	33.2	33.0	33.3	33.7
Total personnel expenses	59.6	64.9	78.9	67.6	66.7	65.8	63.9	60.9	59.5	60.5	61.6
Non-personnel expenses:											
Purchased services	5.9	7.8	5.3	4.6	4.7	4.9	5.0	5.1	5.2	5.4	5.5
Telecommunications	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6
Contractual services	86.2	41.1	52.9	55.7	58.4	60.8	63.2	64.8	66.4	68.1	69.8
Repairs & maintenance	8.6	8.5	8.7	9.0	9.2	9.4	9.7	9.9	10.1	10.4	10.7
Utilities	36.0	37.6	37.9	39.0	40.2	41.5	42.7	44.0	45.4	46.8	48.3
Chemicals	12.8	15.0	15.0	15.4	15.7	16.1	16.5	16.8	17.3	17.7	18.1
Other	5.6	7.3	5.7	5.9	6.0	6.1	6.3	6.5	6.6	6.8	7.0
Clearing account	26.4	52.0	51.9	52.7	53.1	54.1	54.9	55.1	55.9	57.4	58.9
Biosolids savings	-	-	-	-	(2.5)	(2.5)	(2.6)	(2.7)	(2.8)	(2.8)	(2.9)
Total non-labor expenses	181.9	169.7	177.9	182.7	185.5	190.9	196.2	200.1	204.8	210.3	215.9
Total operating & maintenance expense	<u>\$ 241.6</u>	<u>\$ 234.6</u>	<u>\$ 256.8</u>	<u>\$ 250.3</u>	<u>\$ 252.2</u>	<u>\$ 256.7</u>	<u>\$ 260.0</u>	<u>\$ 261.0</u>	<u>\$ 264.3</u>	<u>\$ 270.8</u>	<u>\$ 277.5</u>

**Footnotes:**

<sup>1</sup> FY 2013 actual reduced by net OPEB obligation to allow for comparison.

**City of Detroit**  
**Sewage Disposal Fund**  
Pension & Fringes Projection Detail  
*(in millions of dollars)*

	For the Fiscal Year Ended									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Pension &amp; fringes:</u>										
GF pension reimbursements <sup>1</sup>	\$ 9.5	\$ 31.9	\$ 22.1	\$ 22.1	\$ 22.1	\$ 22.1	\$ 22.1	\$ 22.1	\$ 22.1	\$ 22.1
GF OPEB reimbursements <sup>1</sup>	8.4	2.1	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
New defined contribution plan <sup>2</sup>	1.5	1.5	1.5	1.4	1.4	1.3	1.2	1.2	1.2	1.2
New retiree healthcare <sup>3</sup>	-	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4
Active employee healthcare <sup>4</sup>	4.9	4.9	5.0	5.1	5.1	5.0	4.7	4.6	4.8	5.1
Social security <sup>5</sup>	2.6	2.6	2.6	2.5	2.4	2.3	2.1	2.0	2.1	2.1
Other fringes <sup>6</sup>	4.5	1.2	1.2	1.3	1.3	1.3	1.4	1.4	1.4	1.5
Total pension & fringes	\$ 31.4	\$ 44.7	\$ 34.2	\$ 34.1	\$ 34.1	\$ 33.8	\$ 33.2	\$ 33.0	\$ 33.3	\$ 33.7

	As of Fiscal Year End									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>FTE Schedule <sup>7</sup>:</u>										
FTE count - beginning	631	568	540	513	487	463	416	370	370	370
Less: Attrition	(63)	(28)	(27)	(26)	(24)	-	-	-	-	-
Less: Layoffs	-	-	-	-	-	(46)	(46)	-	-	-
Ending FTE count	568	540	513	487	463	416	370	370	370	370

Assumptions:

<sup>1</sup> Based upon amounts included in Plan of Adjustment (Disclosure Statement - Exhibit 3b of EY 40-year projections). FY 2014 pension contributions are equal to FY 2013 pension contributions.

<sup>2</sup> 5.75% of salaries and wages.

<sup>3</sup> 2.0% of salaries and wages.

<sup>4</sup> \$8,250 per FTE in FY 2014 (active employee healthcare growth rates: FY 2015 7.5%; FY 2016 7.0%; FY 2017 6.5%; FY 2018 6.0%; FY 2019 5.5%; FYs' 2020 - 2023 5.0%).

<sup>5</sup> 7.65% of salaries, wages, and overtime.

<sup>6</sup> Includes fixed and variable expenses, variable portion based upon historical average of salaries and wages, fixed portion assumed to be inflationary.

Footnotes:

<sup>7</sup> Employees whose services are shared between Water and Sewer Systems are budgeted in the Water System. Shared labor costs are transferred from the Water System to the Sewer System.

**City of Detroit**  
**Water and Sewerage Disposal Fund**  
**Volume Projections**  
*(in mcf)*

	<b>Actual</b>	<b>For the Fiscal Year Ended</b>									
	<b>2013</b>	<b>2014 (B)<sup>1</sup></b>	<b>2015 (B)</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<u>Water System</u>											
Wholesale	15,687,868	15,890,308	15,852,800	15,812,817	14,588,930	14,552,134	14,515,431	14,478,821	14,442,304	14,405,878	14,369,544
Retail	3,660,327	4,000,000	3,775,000	3,731,972	3,689,434	3,647,381	3,605,808	3,564,708	3,555,996	3,547,306	3,538,637
Total Volumes	19,348,195	19,890,308	19,627,800	19,544,789	18,278,364	18,199,515	18,121,239	18,043,529	17,998,300	17,953,184	17,908,181
 <u>Sewer System</u>											
Wholesale	13,286,460	15,124,450	14,884,500	14,884,500	14,884,500	14,884,500	14,884,500	14,884,500	14,884,500	14,884,500	14,884,500
Retail	3,087,199	3,600,000	3,275,000	3,237,671	3,200,767	3,164,284	3,128,217	3,092,561	3,085,003	3,077,464	3,069,943
Total Volumes	16,373,659	18,724,450	18,159,500	18,122,171	18,085,267	18,048,784	18,012,717	17,977,061	17,969,503	17,961,964	17,954,443

Footnotes:

<sup>1</sup> FY 2014 water wholesale budgeted volumes have been reduced by 2.0%.

(B) - Budgeted